TEXAS BUSINESS REVIEW

A Monthly Summary of Business and Economic Conditions in Texas

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Texas Retail Trade, 1954-1958

A preliminary 1958 Census of Business report on retail trade, compared with previous reports, points to a number of important economic trends in Texas. For one thing, the comparison may indicate that economic growth is slowing in the state.

The Bureau of the Census, in the course of preparing its final *1958 Census of Business*, is issuing a series of preliminary separate reports on retail trade, wholesale trade, and selected service trades. Each of these reports consists of two parts: an area report and a subject report. In addition, a third report on retail trade in the central business districts of large metropolitan centers will be issued.

A preliminary area report on 1958 retail trade in Texas has recently been released. The report lists total 1958 dollar sales volume in the state for each major classification of retail goods, as well as the number of establishments retailing goods in each category. Comparable data from the 1954 Census and the relevant percentage changes between the two periods give a broad outline of the recent growth of retail trade in Texas. The preliminary report also gives detailed retail trade statistics, by kind of business, for each standard metropolitan area in the state, for each large county, and for each large city. Information, though less detailed, is also given for all counties and for all cities of 2,500 or greater population.

The report as a whole, especially when compared with similar reports for previous years, consequently provides extensive materials for the analysis of growth trends in not only the retail field but in the general economy of the state as well. Retail trade is one of the most powerful indicators of economic change in a given area; it reflects, for example, populatition movements and changing per capita income levels, which are in turn closely related to urbanization and industrial growth. A detailed analysis of such changes would of course require data from outside the retail field, but much of the kind of information necessary is not yet available for 1958. A preliminary analysis of the Census report on 1958 Texas retail trade will serve to highlight a number of previously observed economic trends and to point to apparent other trends which deserve further study. The 1958 Census of Business reports yet to be released will provide much additional information, and will also help in comparing Texas economic growth with changes in the other states and in the nation as a whole.

Total retail dollar volume in Texas, according to the new report, rose 15.3% from 1954 to 1958, for an annual average gain of just under 4%. On the surface this seems to be a respectable percentage, apparently indicating that the economy of the state is growing at a satisfactory if not a spectacular rate. An identical percentage increase would certainly support such a conclusion for a number of other states, but when it is remembered that the population of Texas is growing by an estimated 2.4% annually, and when allowance is also made for the persistent rise in the consumer price index, the 4% figure becomes much less comforting. It is true that 1958 was not a good year for retail merchants; sales in Texas were down 1% from the 1957 level. On the other hand, 1954 made much the same showing in comparison with 1953, so that if an adjustment were made to eliminate the effect of the 1958 recession on retail sales, a similar adjustment, which would tend to cancel out the effect of the first, would have to be made

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The Business Situation in Texas

By FRANCIS B. MAY

Effects of the steel strike on business activity in Texas were plain in October. The Index of Business Activity, after rising in September, dropped to 217% of the 1947–49 average rate of activity. This 4% decline from the previous month's value left the index 6% above October of 1958. At this time last year, the index was rising toward new peak levels from its recession low in March. It reached an all-time high of 226 this July, the month in which the strike began. A number of national barometers of economic activity reached their peak levels in this month also. Texas business activity resisted the effects of the strike strongly until October when the cumulative effects were too great to be resisted completely.

Miscellaneous freight carloadings in October declined 2% from September, after adjustment for seasonal variation. At 78% of the 1947–49 average the index showed the same volume of loadings as in October of last year. Although the volume of traffic carried by the rails has been reduced by the competition of other transportation media in recent years, it is still a large portion of all freight haulage. The nation cannot do without the railroads. A strike in February would cripple an economy already weakened by the steel strike. With foreign competition making itself felt to an unusual degree, we may be entering a period of severe labor strife over work rules in the early 1960's. Compulsory arbitration and price fixing by government mandate may be urged as palliatives. Neither is a desirable solution.

Crude petroleum production in October was 106% of the average produced in 1947–49, after taking seasonal factors into account. This was 2% less than September production and 8% less than October of last year. Severe proration in the second quarter of 1958 reduced excess petroleum stocks to workable levels. Proration was relaxed in the third and fourth quarters. In October of that year production had risen to 115% of 1947–49 compared with a low of 97% in April. The rise continued through January of 1959 when the index touched 125. It has fluctuated gradually downward since that time, making a quick spurt to 126 in May and continuing the decline in June. A comparison of the number of days production allowed in 1958 and 1959 is revealing.

DAYS PRODUCTION ALLOWED

	1958	*1959*
January	12	12
February	11	11
March	9	12
April	8	11
May	8	12
June	8	10
July	9	9
August	11	9
September	12	9
October	11	9
November	11	9
December	12	10
Total	122	123
Monthly average	10.2	10.3

Both years began with 12 days of production allowed in January. In 1958 the lean months were concentrated in

the second quarter with three consecutive months of 8-day proration, the lowest in the history of the industry. By the end of the year, production had regained the 12-day level.

As 1959 progressed, demand for the products of crude of Texas origin did not rise at the anticipated rate. Gasoline and other refined products inventories began to expand. Price weakness developed. The allowable had to be reduced because of excessive inventories of refined products posing a threat of waste. For five of the six months of the second half of the year, only 9-day production was allowed.

It must be kept in mind that the number of wells to which the allowable is applied increases by 175–200 a week so that an average of 10.3 days allowable in 1959 means more production than the .1 day gain over 1958 would seem to indicate. For the first ten months of 1959 production averaged 6% higher than for the January-October period of 1958. There were 99 days of production allowed for this period in 1958 and 104 in the first ten months of 1959. A 5% gain in days of production allowed contrasted with a 6% gain in actual production under these rules. This substantial recovery was the net effect of two factors: (1) a quick recovery from a lowered level of demand due to the 1958 recession; and (2) a quick elimination of excess crude inventories resulting from the Suez incident. This kind of cyclical rebound usually exceeds the long-term growth rate of an industry. This rate for oil at present seems to be about 3% compounded annually.

October demand would probably have been at a higher level if it were not for the effect of the steel strike on consumers' use of automobiles and consumption of gasoline and on industrial consumption of fuel oil.

The latest McGraw-Hill survey of capital spending by industry shows that, for the nation, 4% less money will be invested in oil production facilities in 1960 than in 1959. Part of this reduction will be in Texas since it is the largest producing state. This does not mean that production of oil will be affected to a corresponding degree. New techniques are making it possible to produce more oil with a smaller investment per barrel produced.

The index of crude oil runs to stills in Texas showed a 1% gain from September to October, after allowing for seasonal factors. At 138% of the 1947–49 average runs it was 5% below the level of 146% attained in October of last year. This was the highest value of the index in that year, as it represented a high point in the cyclical upswing in the index from its recession low of 127 in May of 1958. This upswing continued to a peak volume of 155 in May of this year. At that time the condition of inventories of refined products caused cutbacks which carried the index to low values of 137 in August and September. This self-restraint has been partly the result of reduced production of crude and partly voluntary on the part of some refiners.

During the course of development of the petroleum industry, a pattern of pricing developed which placed the major advantage with the producer. He sold the high-margin product. Refining and marketing were not the primary sources of profits, albeit their contribution was an important one.

The immense surplus of crude that developed during the decade of the 1950's is changing the situation somewhat. Emphasis on expanding markets in order to consume more of this bountiful supply is increasing. Efforts to improve profit margins on refined products are increasing. The exploitation of the supermarket concept as applied to the service station is one manifestation of this change.

Since the number of companies which are rich in refining capacity but poor in crude production is decreasing, companies that are primarily crude producers have a narrower market for their output. They must merge with large marketers of refined products or make the large capital investment in refining, bulk terminals and service stations needed to capture a portion of the retail market. Merger efforts must meet the approval of the Attorney General. Approval has been denied in some recent cases. Some of these companies may be forced to dump crude on the world market as a temporary measure.

SELECTED BAROMETERS OF TEXAS BUSINESS
(1947–49 = 100)

Index	Oct 1959	Sept 1959	Oct 1958	Percent change: Oct 1959 from Sept 1959	Percent change: Oct 1959 from Oct 1958
Texas Business Activity	217	225	204	— 4	+ 6
Miscellaneous freight carloading in S.W. district	78	80	78	— 2	**
Crude petroleum production	106*	108*	115	— 2	— 8
Crude oil runs to stills	138	137	146	+ 1	— 5
Total electric power consumption	403*	418*	345	— 4	+ 17
Industrial electric power consumption	376*	382*	334	— 2	+ 13
Bank debits	259	269	243	— 4	+ 7
Ordinary life insurance sales	418	408	409	+ 2	+ 2
Total retail sales	229*	213r	210r	+ 8	+ 9
Durable goods sales	188*	159r	147r	+ 18	+ 28
Nondurable goods sales	250*	242r	243r	+ 3	+ 3
Urban building permits issued	284	223	258	+ 27	+ 10
Residential	260	277	318	— 6	— 18
Nonresidential	341	183	197	+ 86	+ 73

Adjusted for seasonal variation, except annual averages and farm cash income.
* Preliminary.
r Revised.
** Change is less than one-half of one percent.

Total electric power consumption in Texas in October was 4% below the September level, after allowing for seasonal factors. It was 17% above October of last year. The drop occurred in both residential and industrial power consumption. Industrial power consumption dropped 2% in October, only half as much as total consumption. This implies a substantial drop in residential and commercial consumption. Industrial consumption was 13% above October of 1958. The early arrival of cooler weather this fall was a factor in the reduction of residential and commercial consumption, for it reduced the need for air conditioning.

Ordinary life insurance sales in October gained 2% over September, after seasonal adjustment. The index was 2% above October of last year. Life insurance sales have been generally good this year, exceeding 1958 levels in nine of the last ten months. The average volume of sales in 1958 was 6% above 1957. There has not been a year in this decade when average monthly life insurance sales in the state have not increased over the preceding year, including the recession years of 1954 and 1958. Rapid population growth and increasing per capita income have been powerful stimulants to insurance sales.

Retail sales surged strongly upward in October, rising 8% above the preceding month, after seasonal adjustment.

The total was 9% above October of last year. Sales of both durable and nondurable goods rose, with the strongest rise occurring in sales of durables.

The 18% month-to-month gain in sales of durables placed sales of this category 28% above October of 1958. Motor vehicle dealers enjoyed the largest gains, followed by farm implement dealers and stores selling furniture and home appliances. Average monthly sales of automobiles for the first ten months of this year were 23% greater than for the same period of 1958.

Sales of nondurables rose 3% in October, after seasonal adjustment. They were 3% above October of 1958. Early arrival of cool weather was responsible for a rise in apparel sales several times the usual magnitude of gain from September to October. Drug store sales and those of general merchandise stores both showed greater than seasonal gains.

Urban building permits issued in October rose 27% over September, taking seasonal factors into account. This substantial rise placed the index 10% above the year-ago level. The rise was due to a tremendous 86% spurt in nonresidential permits offsetting a 6% decline in residential permits. Increases in the nonresidential category were greatest for motels, office buildings, and public works and utilities. A smaller but very welcome increase occurred in factory and workshop buildings. The average monthly gain in these last categories this year was 17% over the January-October period of 1958.

It is likely that the decline in residential permits will bottom out fairly soon. The number of home starts in the United States in 1960 is expected to be about 1,200,000, down about 11% from the 1,350,000 estimated for 1959. Mortgage money is expected to become slightly more plentiful in the second quarter of 1960. Congress, when it convenes, will very likely vote new relief to the home building industry.

As the last year of a decade of great progress for Texas comes to a close, we can look to the future with confidence. New industries will be established to broaden the base of an economy that is already well diversified. The 1960's will be a decade in which industrial applications of discoveries in the fields of atomic energy, electronics, nucleonics, and space vehicles will quicken. Economic growth of the nation will benefit the state's economy to an equal degree. There will be more Texans, and they will be living better than ever before.

REFINERY STOCKS*

(in thousands of barrels)

Source: *The Oil and Gas Journal*

Area and product	Oct 1959	Sept 1959	Oct 1958	Percent change: Oct 1959 from Sept 1959	Percent change: Oct 1959 from Oct 1958
UNITED STATES					
Gasoline	176,147	175,857	168,476	**	+ 5
Distillate	181,546	174,169	166,414	+ 4	+ 9
Residual	58,050	59,524	67,580	— 2	— 14
Kerosene	33,035	32,231	32,374	+ 2	+ 2
TEXAS					
Gasoline	27,882	27,290	28,976	+ 2	— 4
Distillate	22,665	21,940	21,118	+ 3	+ 7
Residual	8,711	8,774	10,213	— 1	— 15
Kerosene	3,850	3,790	3,871	+ 2	— 1

* Figures shown for week ending nearest last day of the month.

** Change is less than one-half of one percent.

TEXAS BUSINESS REVIEW

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Texas Retail Trade, 1954-1958

(Continued from cover)

for 1954. Furthermore, even if the 1958 recession had not occurred it is unlikely that retail volume between 1954 and 1958 would have risen by much more than 20%, and while a single percentage point difference in average annual growth rates can be highly significant, in this case it would do little to change the impression that the tremendous postwar expansion of the Texas economy is losing some of its steam.

This impression is reinforced by a comparison of 1954 and 1958 retail trade in Texas with comparable data for 1948. In the decade 1948–1958 retail dollar volume in the state rose by 60%. The increase for the six-year period 1948–1954 was 38%. The 15% gain shown for the 1954–1958 period is of course calculated from a much larger base figure than are the two comparisons with 1948, but it is significant that from 1948 to 1954 the retail trade gain in Texas averaged about $419 million annually while for the 1954–1958 period the average annual increase dropped to $127 million. Even after other considerations are taken into account, it is difficult to avoid the conclusion that retail trade seems to reflect a slowing of the economic growth of Texas from the rate which obtained in the late forties and early fifties. It is some comfort to observe that 1959 retail sales in the state will be in the neighborhood of $750 million greater than last year, but, again, if the recession had not depressed 1958 buying, especially of durables, the improvement would be much less, probably in the neighborhood of 4%. It will be important to see whether 1960 volume—assuming no major economic dislocations—advances significantly from the 1959 level.

The Texas economy is expanding, of course. Presumably what is desired, however, is a kind of growth that will be translated into a rising standard of living for the great majority of the Texas population, and a living standard that is rising at least as rapidly as that in the United States as as a whole. In recent years the population of Texas has been growing half again more rapidly than the U. S. rate, and if this population trend continues the economic growth of Texas is going to have to be substantially faster than U. S. economic growth if Texas per capita disposable income is to maintain its relative position. The only solution to the problem, it is widely believed, is a greater level of industrial growth.

Judging from a comparison of the 1954 and 1958 reports on retail trade alone, it is evident that there are a number of areas in Texas which have substantially expanded their economies. For example, at least fifteen counties with retail sales of over $25 million experienced a 1954–1958 retail trade growth of more than 25%. These counties were Bell, Brazoria, Cameron, Ector, El Paso, Guadalupe, Harris, Howard, Kleberg, Midland, Orange, Palo Pinto, Reeves, San Patricio, and Scurry. Houston and El Paso, among the state's larger cities, have their appropriate counties in this list; but with the further exceptions of Odessa and Midland no other cities with populations exceeding 40,000 are in the counties listed. It is also noteworthy that agriculture is a major economic activity in a majority of these counties, and, remembering the drouth on the one hand and the high level of agricultural income on the other, it appears probable that significant economic growth exceeding 25% in the four-year period was confined to no more than five or six of these counties and their respective cities.

Retail trade expansion in Dallas County (+18%), Tarrant (+17%), Bexar (+18%), Travis (+15%), McLennan (+7%), Jefferson (+11%), and Potter (+14%) are typical of gains in most of the state's major metropolitan areas. Harris County (+29%) is the most outstanding exception. One would have expected a number of these population concentrations to have shown a substantially higher rate of gain than the state as a whole. Though the Census report does support the observation that economic growth is spilling out of the major Texas cities into their neighboring cities and counties, it is hardly to be expected that fringe growth can adequately supplant healthy expansion in the central business districts.

Further details of the 1958 retail trade report will be presented next month in the Review's regular retail trade column.

William J. Reilly Receives Marketing Award

The American Marketing Association's Paul D. Converse Awards for 1959 were recently given to four outstanding men in the marketing field in connection with the sixth Biennial Marketing Symposium, sponsored by the Marketing Department of the University of Illinois.

Among the four selected was William J. Reilly, best known for "Reilly's Law of Retail Gravitation." The law, familiar to every marketing student, is a mathematical formula for determining retail relationships between adjacent population centers. The formula and others derived from it are used, for example in calculating how purchasers living in intermediate areas divide their purchases between competing trading centers and thus in determining the best locations for retail stores.

Mr. Reilly did much of his early writing for the Bureau of Business Research of The University of Texas, which has recently reprinted the original 1929 study, *Methods for the Study of Retail Relationships* (available for $1.00), in which Mr. Reilly first presented his "Law of Retail Gravitation."

Mr. Reilly, currently head of the National Institute for Straight Thinking, has also written *Marketing Investigations* and other studies. Much of his early work in the retail field was done with Professor Converse (whom the awards honor), pioneer marketing scholar and past president of the American Marketing Association, who was recently Visiting Professor of Marketing at The University of Texas.

Retail Trade:

TEXAS RETAIL SALES REACH NEW OCTOBER HIGH

By ROBERT H. DRENNER

Total retail sales in Texas in October rose to a new high for the month. At an estimated $1,221.2 million, they were 10% above sales in the preceding month (which after adjustment for seasonal variation amounted to a strong 7% September-to-October rise) and 9% above the October 1958 total. Total sales for the January-October 1959 period, estimated at $11,174.4 million, were 7% above the dollar total in the same period a year ago.

Texas retail trade activity in October closely paralleled the national over-all trade pattern for the month. Total U. S. retail volume was also at a record October high and as in Texas was 9% above volume in October 1958. However, after seasonal adjustment the nation's retail sales showed less than half (3%) the Texas adjusted September-to-October increase. On the other hand, ten-month 1959 U. S. retail sales were 8% greater than the corresponding total a year ago, for a slightly greater improvement than was posted in Texas. The Texas lag, though small, is significant, and it does not seem possible to explain it as the result of a greater effect of the recession on 1958 U. S. retail sales. U. S. sales last year were at roughly the 1957 level; in Texas there was a slight decline.

ESTIMATES OF TOTAL RETAIL SALES IN TEXAS
(Unadjusted for seasonal variation)

Type of store	Oct 1959	Jan-Oct 1959	Percent change: Oct '59 from Sept '59	Oct '59 from Oct '58	Jan-Oct '59 from Jan-Oct '58
	Millions of dollars				
Total	1,221.2	11,174.4	+ 10	+ 9	+ 7
Nondurable goods	890.4	8,007.5	+ 6	+ 3	+ 3
Durable goods*	330.8	3,166.9	+ 19	+ 28	+ 19

* Contains automotive stores, furniture stores, and lumber, building material and hardware stores.

Based on sales in January-October, total 1959 Texas retail trade volume is estimated at $13,658 million, or about 8% greater than in 1958. Even if November and December volume does not measure up to expectations (and Christmas buying especially is generally expected to be high) retail sales in Texas in 1959 will still be at a substantially higher level than in any previous year.

The major portion of the strong September-to-October total retail sales gain in Texas was due to a much larger advance by the durable goods category. October sales of durables, estimated at $330.8 million, were 19% above such sales in the preceding month. Virtually all of the gain was significant; there is normally little change in durables volume from September to October. The seasonally adjusted monthly index of durables sales rose from 159 in the earlier month to 188, at which level it was 28% higher than in October 1958 (in contrast to an 18% rise between the two months in U. S. durables sales). Texas durables volume for January-October was 19% above the 1958 cumulative period.

Sales of nondurable goods on the average ordinarily constitute over 70% of total retail dollar volume, however, and sales of nondurables in Texas in October and in January-October, though up from the corresponding 1958 totals, lagged far behind gains in the durables category. October sales of nondurables, estimated at $890.4 million, were 6% above the September total. In this category, also, there is little seasonal variation between the two months, and the adjusted nondurables index rose from its September value of 242 to 250. Compared with October 1958, however, the gain was a modest 3% (in contrast to a 5% rise nationally). For the 10-month period, sales of nondurables in Texas, at an estimated $8,007.5 million, were also 3% above nondurables sales in the same period a year ago.

Sales by store types. Among durable goods stores, motor vehicle dealers (+26%) and automotive stores (+26%) reported strong gains from September; this was generally characteristic of reports in these classifications over the nation as a whole. In Texas both categories reported even larger increases from October 1958; sales by motor vehicle dealers were up a remarkable 40%. The latter category also reported the largest cumulative improvement (+23%) in the over-all nondurables classification, again closely followed by automotive stores (+22%).

RETAIL SALES TRENDS BY KINDS OF BUSINESS

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Kind of business	Number of reporting establishments	Percent change: Normal seasonal* Oct '59 from Sept '59	Actual: Oct '59 from Sept '59	Actual: Oct '59 from Oct '58	Actual: Jan-Oct '59 from Jan-Oct '58
DURABLE GOODS					
Automotive stores	257	+ 3	+ 25	+ 37	+ 22
Furniture & household appliance stores	149	+ 5	+ 5	+ 9	+ 10
Lumber, building material, and hardware stores	273	+ 8	— 2	— 2	+ 9
NONDURABLE GOODS					
Apparel stores	186	+ 2	+ 10	+ 6	+ 6
Drug stores	130	+ 1	+ 5	+ 4	+ 5
Eating and drinking places	83	+ 5	+ 5	— 1	+ 2
Food stores	284	**	+ 10	+ 1	— 1
Gasoline and service stations	482	+ 3	— 8	+ 5	+ 5
General merchandise stores	211	+ 10	+ 16	+ 5	+ 5
Other retail stores	246	+ 2	+ 4	+ 6	+ 10

* Average seasonal change from preceding month to current month.
** Change is less than half of one percent.

Among the three major nondurables classifications, furniture and household appliance stores reported a 5% sales gain from September and a 9% improvement in volume from October 1958; the category showed a 10% increase from January-October 1958. On the other hand, sales by lumber, building material, and hardware stores, which normally rise by about 8% from September to October, fell by 2%, though in the cumulative comparison they were well ahead (+9%) of last year. Most of the September-to-October decrease was the effect of a 14% drop in sales by farm implement dealers.

Among nondurable goods stores, only two of the 21 different types of stores reported dollar declines from September. Sales by office, store, and school supply dealers fell 13%, and sales by gasoline and service stations, in con-

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MIDLAND:

The Economic Future of a Texas Oil Center

By ROBERT H. RYAN and LEONARD G. SCHIFRIN

three dollars

trast to an expected 3% seasonal gain, dropped 8%. Virtually every other nondurables category not only reported dollar gains from September, but gains substantially larger than seasonally indicated. Sales by apparel stores, for example, which usually rise by 2% from September to October, actually increased 10%. Food store sales, ordinarily unchanged between the two months, showed a strong 10% increase this October. It is significant, however, that among the seven major classifications into which all retail sales (both durable and nondurable) are divided, for the January-October period sales by food stores in Texas were the only category to show a decrease (—1%) from last year. The decrease of course was caused by a general decline in retail food prices.

Volume of department and apparel stores. Total October sales by Texas department and apparel stores were 11% above sales in the preceding September and 5% above October 1958; a 6% gain from 1958 was posted in the 10-month comparison. Month-to-month showings of such stores in individual Texas cities varied widely, but 10-month sales showed much more uniformity. Most notable September-to-October gains were reported from Beaumont (+45%), Corpus Christi (+23%), Dallas (+12%), Fort Worth (+18%), and Waco (+33%). Decreases were reported from El Paso (—11%), Lockhart (—11%), and Victoria (—5%); all 26 other reporting cities showed gains. In the 10-month cumulative showing only El Paso recorded a decrease (—3%).

CREDIT RATIOS IN DEPARTMENT AND APPAREL STORES

Classification	Number of reporting stores	Credit ratios*		Collection ratios**	
		Oct 1959	Oct 1958	Oct 1959	Oct 1958
ALL STORES	55	70.9	70.5	40.8	40.6
BY CITIES					
Austin	5	64.7	64.9	51.7	52.5
Dallas	6	81.1	80.1	43.0	43.9
El Paso	3	57.5	59.0	29.8	31.0
Galveston	4	65.5	67.4	48.0	46.7
Houston	8	74.5	73.8	42.9	43.0
San Antonio	3	78.3	70.7	41.1	48.9
Waco	4	57.8	58.8	46.1	44.1
BY TYPE OF STORE					
Department stores (over $1 million)	17	72.8	73.0	40.1	38.9
Department stores (under $1 million)	16	47.2	47.1	44.1	42.0
Dry goods and apparel stores	5	74.0	60.9	57.8	56.5
Women's specialty shops	11	68.5	66.3	40.8	44.7
Men's clothing stores	6	68.4	72.7	45.6	48.1
BY VOLUME OF NET SALES					
Over $1,500,000	21	72.7	72.0	40.5	40.3
$500,000 to $1,500,000	12	57.9	58.4	46.7	45.6
$250,000 to $500,000	12	46.4	50.1	41.9	40.6
Less than $250,000	10	51.6	50.4	43.9	42.0

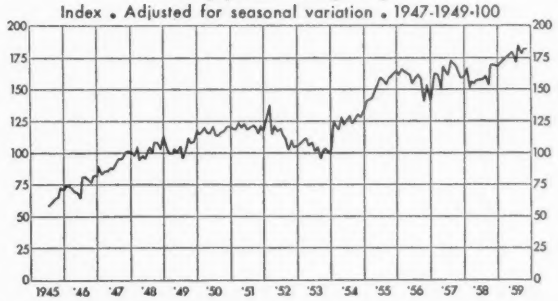
* Credit sales divided by net sales.

** Collections during the month divided by accounts unpaid on the first of the month.

Sales in Texas cities. Among the 26 cities reporting enough retailers to permit individual city total retail sales listing, Amarillo (—3%) and Harlingen (—12%) were the only ones to show September-to-October declines; none of the 26 cities, however, reported a decrease from October a year ago. September-to-October gains varied considerably; reports from the state's largest cities were typical: Austin (+13%), Dallas (+22%), El Paso (+14%), Fort Worth (+6%), Houston (+7%), and San Antonio (+5%).

Newspaper Advertising Linage

Index • Adjusted for seasonal variation • 1947-1949-100

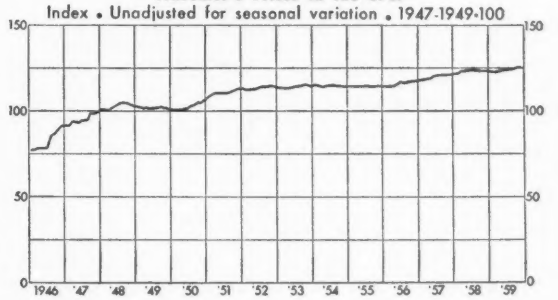


Secondary trade indicators. Of 126 Texas cities which reported postal receipts for the September 19–October 16 period, 105 reported greater receipts than in the preceding four-week term; 17 cities reported decreases. Compared with September 20–October 17, 1958, increases were recorded in 68 cities and lower receipts in 48.

Advertising linage in 24 Texas daily newspapers in October was up 12% from linage in the preceding month and 6% above October 1958.

Consumer's Prices in the U. S.

Index • Unadjusted for seasonal variation • 1947-1949-100



POSTAL RECEIPTS

City	Sept 19–Oct 16 1959	Aug 22–Sept 18 1959	Sept 20–Oct 17 1958	Percent change: Sept 19–Oct 16, 1959 from Aug 22–Sept 18 1959	Percent change: Sept 22–Oct 16, 1959 from Sept 20–Oct 17 1958
Borger	$15,652	$14,007	$19,121	+ 12	— 18
Brownfield	12,977	8,115	.....	+ 60	.....
Cameron	6,020	6,025	8,033	**	— 25
Childress	5,764	4,602	5,540	+ 25	+ 4
Cleburne	13,856	11,783	13,010	+ 18	+ 7
Coleman	6,721	6,090	7,004	+ 10	— 4
Crystal City	3,527	2,958	2,811	+ 18	+ 25
Cuero	5,884	5,047	5,086	+ 17	+ 16
Denison	24,063	16,270	.....	+ 48	.....
Eagle Pass	7,591	5,704	6,540	+ 33	+ 16
Edna	6,166	4,217	5,135	+ 46	+ 20
El Campo	9,301	8,736	10,442	+ 6	— 11
Gainesville	14,323	11,375	.....	+ 26	.....
Gatesville	4,544	3,395	4,114	+ 34	+ 10
Graham	8,563	7,673	5,904	+ 12	+ 45
Granbury	3,358	3,338	3,008	+ 1	+ 12
Hale Center	1,908	1,460	2,190	+ 31	— 13
Hillsboro	6,261	6,484	7,406	— 3	— 15
Huntsville	10,782	7,940	9,460	+ 36	+ 14
Kenedy	4,064	3,392	3,377	+ 20	+ 20
Kermit	8,082	7,083	8,254	+ 14	— 2
Kerrville	12,240	10,672	11,726	+ 15	+ 4
Kingsville	18,729	13,004	14,519	+ 44	+ 29
Kirbyville	2,871	3,024	3,998	— 5	— 28
La Grange	5,753	4,056	4,706	+ 42	+ 22
Levelland	9,375	6,895	10,050	+ 36	— 7
Littlefield	5,770	4,573	7,852	+ 26	— 27
McCamey	3,934	2,840	4,467	+ 39	— 12
Marlin	6,607	6,972	6,960	— 5	— 5
Mission	10,076	7,521	10,695	+ 34	— 6
Navasota	5,480	4,141	4,593	+ 32	+ 19
Palestine	15,060	10,867	13,632	+ 39	+ 10
Pecos	17,056	12,750	18,712	+ 34	— 9
Pittsburg	3,749	3,410	4,997	+ 10	— 25
Sinton	8,949	8,609	5,410	+ 4	+ 65
Sweetwater	15,734	10,131	18,782	+ 55	— 16
Taft	3,140	2,526	3,284	+ 24	— 4
Terrell	8,965	6,895	7,553	+ 30	+ 19
Waxahachie	10,736	11,182	10,945	— 4	— 2
Weatherford	9,328	7,856	9,632	+ 19	— 3
Yoakum	10,323	9,650	10,973	+ 7	— 6

** Change is less than one-half of one percent.

Bureau of Business Research Publications

Fluctuations in United States Imports from Brazil, Columbia, Chile, and Mexico, 1919-1954

No. 1, Studies in Latin-American Business

By Calvin Patton Blair

Assistant Professor of International Trade and Resources

two dollars

Industrial Production:

LPG: NEW GIANT IN THE TEXAS OIL AND GAS INDUSTRY

By JOE CARROLL RUST

In this corner—liquefied petroleum gas—a major contender for the Texas oil crown against the long-time champion, crude. Although LP-gas ranks third (behind crude and natural gas) in the oil-derived products in both production and consumption, it is the fastest growing product in the industry. Nationally the rate of growth of this phase of the oil industry is second only to the rate of growth of television. The average annual sales increase for LPG since 1950 has been approximately 500 million gallons.

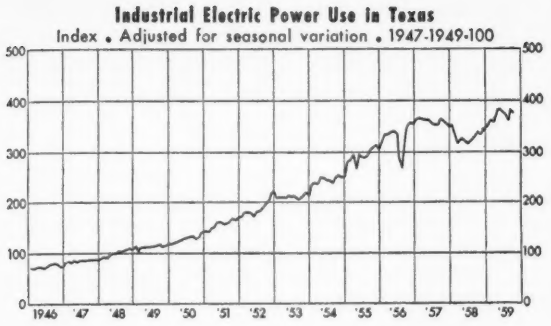
LP-gases are those single component hydrocarbons which make up the heavier constituents of natural gas liquids, chiefly butane and propane, but also isobutane and butane-propane mixtures. LPG is a by-product of both crude oil refining and natural gas processing. These gases are gaseous at normal atmospheric pressure and temperature (60°F), but may be liquefied under a pressure ranging from 50 to 195 pounds per square inch at 100°F and stored in pressurized steel bottles and tanks. Thus, the common name for LPG—"bottled gas."

Liquefied petroleum gas was for many years the unwanted child of the oil industry. As natural gas was initially a waste product in the production and refining of oil, LPG was burned off as waste in oil refining and in the processing of natural gas and gasoline. Not until the early 1920's did it become an important sideline product in natural gasoline plant operation. In 1922, the first notable year for LPG production, consumption was little more than 200,000 gallons, and the high cost of production, transportation, and distribution limited the development of profitable markets. National consumption was not more than 300,000 gallons in 1925 when Texas set up a statute to regulate the LPG industry. This law was amended in 1951.

The initial use of LPG was as fuel for cooking in areas far from natural gas pipelines. About 1926 several large national oil companies began to develop new markets for LPG, and unit cost of recovery began to drop as the demand increased. In 1928, the same year Texas became the top producer of natural gas, LPG was first used as a gasoline additive and as an industrial fuel. Prior to that time, the gas had been sold in small pressure containers, but in that year was first stored in large pressurized tanks. LPG became a raw material for the chemical industry in 1937.

Spurred by increased demand during World War II and striving to meet new markets being developed for its use, LP-gas since the late 1920's has been a booming business. In little more than 35 years, consumption of LPG has increased more than 30,000%.

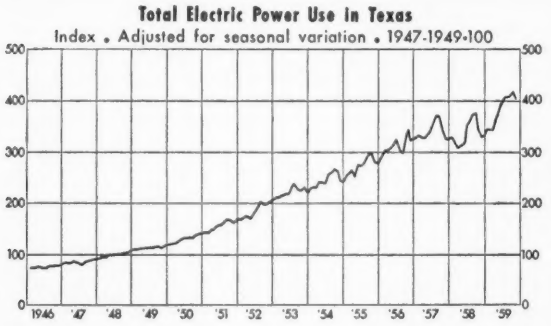
Approximately 75% of LPG production in this country is distilled from natural gasoline liquids, 25% refined from crude oil. LP-gases, along with natural gasoline, are found in their natural state combined with natural gas and crude petroleum in oil pools and gas fields. When combined with oil as it is pumped from the ground, the natural gas liquids are separated from the crude at the wellhead. Some LPG remains in the crude. At a natural gasoline plant, where both natural gasoline liquids and gas field gas are processed, the natural gas is separated from the liquids in absorption towers and the dry gas is piped to homes for



fuel. LPG is then boiled off the remaining liquids in stabilizer columns, condensed to liquids, and separated into its various gases (butane, propane, etc.). A similar process is used in separating LPG from crude oil at a refinery.

In January 1958, Texas had 31 cycling plants turning out LP-gas, one of the largest of which was a plant operated by Humble Oil & Refining Company at Katy. This plant is one of the largest of its type in the world. Production capacity of these 31 plants then was as follows: by cycling, propane, 5,548,388 gallons per day; butane, 3,154,226; isobutane, 816,342; mixtures, 1,789,806; by fractionation, propane, 1,031,450; butane, 1,305,634; isobutane, 312,500; mixtures, 130,200.

Liquefied petroleum gases include the most efficient of fuels as yet produced. Butane is even-burning and burns at roughly two and one-half times the temperature of natural



gas, or at about 2300°F. It boils at 31°F, while propane boils at −44°F, making both self-vaporizing at normal atmospheric temperature. Butane is twice as heavy as air; propane, one and one-half times as heavy. Thus, as gases, both will settle to the ground when released.

Total production of LP-gas in the nation in 1958 was some 9.15 billion gallons, of which Texas produced approximately 4.5 billion gallons. Louisiana ranked second behind Texas in LPG production in 1958 with approximately 953,825,000 gallons. During the period January-August 1959, more than 1.999 billion gallons (47.6 million 42-gallon barrels) of LPG was recovered at gas wells and from casinghead gas in the state. In January-July 1959, another 2.6 billion gallons was produced at plants and refineries in Texas. West Texas produced the largest single portion of this total, some 1.06 billion gallons. The Gulf Coastal Plain stood second with 944,630,000 gallons.

Approximately 47% (or 3.5 billion gallons) of the 1958 total national LP-gas sales of some 7.59 billion gallons went for domestic use, primarily for heating. Some 9,000,000 families in the United States depend on LP-gas as heating fuel. Sales to Texas' domestic consumers of LP-gas, chiefly for heating in rural communities, from October 1, 1958, to June 30, 1959, were unofficially 687.69 million gallons (as compiled from reports to the LP-Gas Division, Texas Railroad Commission. The unofficial figure is short of the actual total due to late dealer reports not yet processed). The Division lists 601,234 domestic tanks in use in Texas. Deliveries to Texas domestic consumers from October 1, 1957, through September 30, 1958, was 1,072, 207, 097 gallons. During the period September 1958–August 1959, license issuances totaled 2,976, with a license fee collection of $93,204.60. Issuances from September 1957 to August 1958 were 2,639; collections, $91,279.61. Installation of domestic tanks in the state totaled 16,146 from September 1958 to August 1959.

Six Southwestern states consumed some 43% of the total LP-gas sales in 1957. Texas is not only the nation's largest single LP-gas producer, but the state in 1957 was responsible for approximately 32% of total Southwestern consumption. New England in the same year accounted for less than 2% of national consumption (total sales in 1957 were approximately 6.9 billion gallons). Texas in 1957 consumed 421.885,000 gallons of LP-gas for domestic and commercial use, 344,042,000 gallons for motor fuel.

Infrequent use of these gases in the East previously was due to lack of adequate transportation and storage facilities. But this situation slowly is being corrected by LPG producers. In fact, the more than 40% increase in sales of LP-gas since 1953 has been due to improved storage facilities and transportation, producers claim. In 1957, thirteen pipelines for transmission of LP-gas led from Texas and Louisiana, but more than 86% of the product was moved by truck and tank car. The conversion in 1958 of the Little Big Inch pipeline from transmission of natural gas to refined petroleum products (including LPG) will significantly step up LP-gas transport by pipeline. Oil products can be pumped through the line at approximately 5,000 barrels per hour.

One of the main lines of the Little Big Inch extends between Texas Eastern Transmission's LP-gas storage reservoir at Mont Belvieu, 25 miles east of Houston, and an accumulation terminal at Todhunter, Ohio, just north of Cincinnati. The former is the largest underground LP-gas storage reservoir in the nation, composed of twin caverns drilled 3,500 feet into a huge salt dome. Each cavern, filled with propane, has a capacity of 21 million gallons. One well went into operation in November 1959, and the other is to be put in use in March 1960. LP-gas is pumped 10 miles to the reservoir from Baytown through a 12-inch pipeline.

Texas has led in underground storage of LPG almost from the beginning of its use. The state's first LPG underground reservoir was located in a salt dome near Kermit. The LP-Gas Division in September 1958 listed 155 underground caverns with a total (water gallon) capacity of 1,221,321,700 gallons. Texas capacity now stands at 1,242,-994,100 galons, according to the September 28, 1959 issue of *The Oil and Gas Journal*. Louisiana stands second with 161,616,000 gallons. Twenty-two states use underground LPG storage, with a total capacity of 1.85 billion gallons. Actual storage, however, is approximately 1.02 billion gallons. The *Wall Street Journal* in early October reported that LPG storage is up more than 252 million gallons from only five years ago.

BUREAU OF BUSINESS RESEARCH PUBLICATIONS

Colorado River Industrial Development Area, Texas:

An Economic Survey

Vol. 1: An Introduction to the Area

Vol. 2: San Saba County
Vol. 3: Llano County
Vol. 4: Blanco County
Vol. 5: Burnet County
Vol. 6: Travis County
Vol. 7: Bastrop County
Vol. 8: Fayette County
Vol. 9: Colorado County
Vol. 10: Wharton County
Vol. 11: Matagorda County

Single volumes, $1.50; set, $15.00

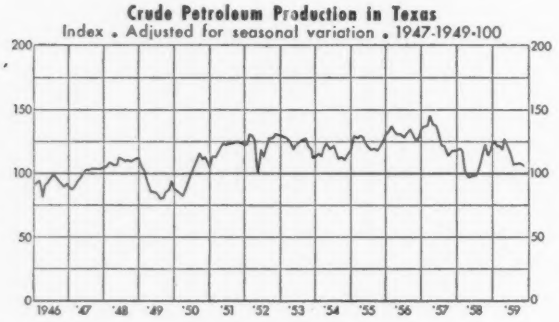
Besides being drilled into salt domes, where the cavity is hewn out by a forced stream of water, storage caverns are mined in salt layers, shale, granite, chalk, and oil, gas, and water sands. According to research compiled in September 1959 by *The Oil and Gas Journal*, 34 companies operate LPG storage caverns in Texas. Twenty-four use caverns for butane storage, 32 for propane, and 15 for butane-propane mixtures. Storage reservoirs in salt domes are stretched along the Gulf Coastal Plain, through the western section of the Piney Woods, and across the mid-northern section of the Post Oak Belt; salt layer reservoirs across the northwestern part of the Edward's Plateau, the northeast section of the Mountain and Basin Region, the southwestern part of the Lower Plains, and the southeast High Plains.

Above-ground bulk storage away from refineries is listed by the LP-Gas Division at 2,715 tanks, with a 21,812,505 water gallon capacity. Although truck tanks are being converted to twin units and "blimp" tanks for more careful handling, 4,311 of the single units still are in use. Some 14,500 motor fuel tanks are listed.

The use of LPG in chemical and synthetic rubber production provides a fast-growing market. LP-gas is both a raw material and solvent in the making of synthetic organic chemicals. Approximately 1.9 billion gallons of the 1958 national LPG sales were to chemical plants; .4 billion gallons to rubber producers. For instance, LPG is used in the production of isopropyl and ethyl alcohols, detergents, plastics, "miracle" fabrics, acetate, vinyl and acrylic resins, antioxidents, special solvents, glycols, acetone, acetaldehyde, and acetic acid. Two of the largest Texas chemical companies using LPG as a raw material are the Celanese Corporation of America and the Great Southern Chemical Corporation, both in the Corpus Christi area. Perhaps the most novel use of LPG in the petrochemical industry has been in the "hula hoop," a product of polyethylene plastic, an LPG derivative. LP-gas also is used in the making of butadiene, which is a basic component of rubber. One of Texas' largest rubber component processors is Texas Butadiene & Chemical Corporation at Channelview, where polybutene is produced.

An increasingly important use of LPG in recent years has been as a motor fuel. One Texas company capitalizing on this upcoming use of LPG is the J & S Carburetor Company, Inc., Dallas, maker of LP-gas carburetion equipment. Today, some 15% of the nation's heavy trucks use this type of fuel. Also, it is used as fuel by some bus companies, including the San Antonio Transit System and the Galveston Transit Company.

Because LPG burns more completely and evenly than regular gasoline, it leaves less smudge and carbon in the engine and throws off less carbon monoxide and other noxious gases. The normal motor car can deliver up to 70,000 more trouble-free miles (without a major overhaul or cleaning of the sparkplugs) when LPG is used as fuel. However, unless the driver has his car in constant road use, LP-gas is perhaps not the best investment. Although approximately six cents cheaper per gallon than gasoline, it delivers 10% fewer miles per gallon. But, the greatest cost is the installation of special fuel lines and a 20-gallon pressurized tank in the trunk of the car at approximately $250. Too, only


Crude Petroleum Production in Texas
Index • Adjusted for seasonal variation • 1947-1949-100
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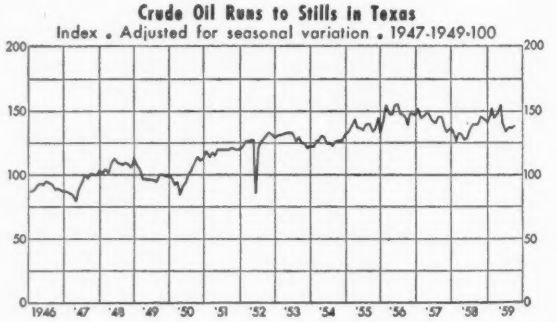
1946 '47 '48 '49 '50 '51 '52 '53 '54 '55 '56 '57 '58 '59


Crude Oil Runs to Stills in Texas
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1946 '47 '48 '49 '50 '51 '52 '53 '54 '55 '56 '57 '58 '59

4,000 of the 180,000 commercial service stations in the United States today handle LP-gas fuel.

The majority of users of LP-gas fuel are not commercial and passenger car drivers—but farmers. Some 300,000 tractors, or approximately 50% of the tractors in the nation, now are run on LPG. West Texas farmers consume more LP-gas as tractor fuel than farmers in any other single section of the United States.

Some .7 billion gallons of the national LPG sales in 1958 were to various phases of industrial development. The fastest growing industrial market for LP-gas is its use as fuel for material-handling equipment, such as industrial tractors. LPG is also making headway for use in gas air conditioning and in refrigerators, with gas refrigerator manufacturers claiming they will capture more than 25% of the refrigeration market, with the making of more than a million units, in less than five years. A large number of these refrigerators will operate on LP-gas. Other rising LP-gas industrial markets are its use as fuel for motors for gas lawnmowers and water pumps.

On the domestic scene, LP-gas is becoming increasingly important in use in gas ranges, especially built-in ranges, and in central heating. It is being used on farms and ranches for weed burners, meat smoking units, smudge pots for protecting fruit trees from frost, dehydration units for fruits and vegetables, sterlizing milk cans, and tobacco and hay curing. LPG even has been used by a West Coast drive-in theater chain in heating units in individual speakers.

What of the future of LP-gas?

Producers claim liquefied petroleum gas sales will hit 10.2 billion gallons by 1962. They base their optimism on the trend to increased suburban living, especially increased home building in districts not now serviced by natural gas. However, indications in the past year point to an increasingly acute challenge from natural gas producers moving pipelines into areas where natural gas has not been previously available. Some LPG markets have experienced heavy losses of both sales and customers due to natural gas pipeline expansion to areas for domestic fuel use. The answer may lie in finding new and diversified uses for LP-gas in both home and industry, some producers have suggested. Too, fuel for domestic heating may take on a new form. Butane, which now makes up most of this market, may be replaced by propane. As more and more butane is going into the production of isobutane and alkylate for upgrading gasoline, especially for space fuel, some producers predict a shortage of butane within five years and a corresponding oversupply of propane. The only alternative to a switch to propane seems to be the importation of butane for domestic use. This could start a whole new chapter in the LP-gas story.

Bureau of Business Research Publications

The Meat Packers Come to Texas

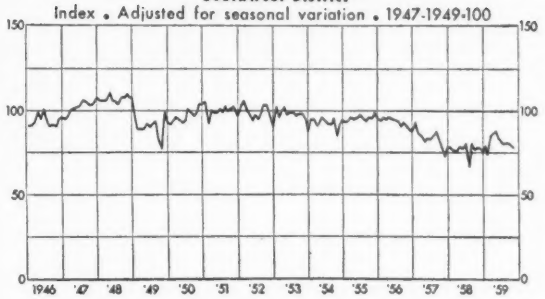
No. 7, Texas Industry Series

By E. C. Barksdale

one dollar

Miscellaneous Freight Carloadings, Southwest District

Index • Adjusted for seasonal variation • 1947-1949-100



FEDERAL INTERNAL REVENUE COLLECTIONS

Source: Internal Revenue Service, U. S. Treasury Department

District	July 1–October 31 1959	July 1–October 31 1958	Percent change
TEXAS	$775,104,584	$730,036,299	+ 6
Income	297,887,453	261,011,563	+ 14
Employment	3,285,710	3,235,877	+ 2
Withholding	410,719,052	394,113,265	+ 4
Other	63,212,369	71,675,594	— 12
SOUTHERN DISTRICT	406,825,556	380,491,536	+ 7
Income	145,700,956	133,539,702	+ 9
Employment	25,036	62,758	— 60
Withholding	221,451,988	203,657,374	+ 9
Other	39,647,576	43,231,702	— 8
NORTHERN DISTRICT	368,279,028	349,544,763	+ 5
Income	152,186,497	127,471,861	+ 19
Employment	3,260,674	3,173,119	+ 3
Withholding	189,267,064	190,455,891	— 1
Other	23,564,793	28,443,892	— 17

REVENUE RECEIPTS OF THE STATE COMPTROLLER

Source: State Comptroller of Public Accounts

Account	September 1–October 31 1959	September 1–October 31 1958	Percent change
TOTAL	$182,492,603	$149,901,584	+ 22
Ad valorem, inheritance, and poll taxes	1,616,209	1,585,784	+ 2
Natural and casinghead gas production taxes	7,660,185	7,023,676	+ 9
Gas severance beneficiary tax	446	0	.....
Crude oil production taxes	16,525,082	22,933,801	— 28
Other gross receipts and production taxes	2,791,898	2,766,071	+ 1
Insurance companies and other occupation taxes	108,279	173,794	— 38
Motor fuel taxes (net)	31,886,960	29,021,944	+ 10
Cigarette tax and licenses	10,980,168	8,694,157	+ 26
Alcohol beverage taxes and licenses	7,955,015	6,855,140	+ 16
Automobile and other sales taxes	4,610,918	3,108,198	+ 48
Licenses and fees	8,182,890	7,877,518	+ 4
Franchise taxes	12,275,300	526,264	+2,233
Mineral leases, land sales, rentals, and bonuses	1,654,918	6,307,781	— 74
Oil and gas royalties	5,029,585	5,209,761	— 3
Interest earned	4,163,887	4,473,006	— 7
Unclassified receipts	2,513,676	2,366,138	+ 6
Other miscellaneous revenue	2,961,945	2,654,227	+ 12
Federal aid for highways	31,198,171	9,787,145	+216
Federal aid for public welfare	20,215,214	24,660,749	— 18
Other federal aid	10,097,253	3,669,210	+175
Donations and grants	64,604	116,720	— 45

Bureau of Business Research Publications

1958 Survey of

Personnel Practices in Department Stores

Personnel Study No. 12

By William R. Spriegel
Professor of Management

A survey of the scope of personnel administration in leading department stores of the United States. Also reports the changes in department store personnel practices since the similar surveys of 1947 and 1954.

one dollar

CHANGES IN CONDITION OF WEEKLY REPORTING MEMBER BANKS IN THE DALLAS FEDERAL RESERVE DISTRICT

Source: Board of Governors of the Federal Reserve System

Account	Percent change* Oct 1959 from Sept 1959	Oct 1959 from Oct 1958	Oct 1958 from Sept 1958
TOTAL ASSETS	+ 1	+ 2	**
Loans and investments, less loans to banks and valuation reserves	+ 1	+ 2	+ 1
Loans, less loans to banks valuation reserves	— 1	+ 7	+ 1
Commercial, industrial, and agricultural loans†	— 1	+ 8	+ 2
Loans for purchasing or carrying securities	+ 3	+ 6	**
Real estate loans	— 5	— 7	+ 2
Other loans	**	+ 12	— 1
Total U.S. Government securities	+ 6	— 9	**
Treasury bills	+165	+ 34	+ 16
Treasury certificates of indebtedness	— 2	— 73	— 7
Treasury notes and bonds	+ 1	— 3	+ 1
Other securities	— 1	+ 8	— 1
Loans to banks	+433	+700	— 65
Reserves with Federal Reserve banks	+ 7	— 7	+ 4
Cash in vaults	+ 6	+ 6	+ 6
Balances with domestic banks	— 11	+ 2	— 8
Other net assets	+ 10	+ 5	+ 3
TOTAL LIABILITIES	+ 1	+ 1	**
Total adjusted deposits	+ 2	+ 1	+ 1
Demand deposits	+ 2	+ 1	+ 2
Time deposits	— 1	— 5	— 2
U.S. Government deposits	+ 7	+ 87	+ 1
Total interbank deposits	— 4	— 5	— 3
Domestic banks	— 4	— 5	— 3
Foreign banks	+ 7	— 6	+ 7
Borrowings	+ 52	+160	+ 25
Other liabilities	+ 26	+ 2	+ 6
CAPITAL ACCOUNTS	+ 1	+ 9	+ 1

*Percentage changes are based on the week nearest the end of the month.

**Change is less than one-half of one percent.

†Includes loans to nonbank financial institutions.

Agriculture:

TEXAS BEEF CATTLE: PRICE AND PRODUCTION CYCLES

By CANDLER P. CASS

Writers and storytellers have made the fabulous cattle empires of early Texas with their sprawling herds and tremendous drives familiar to everyone. In spite of the drama and color of the early West, an equally interesting and important story comes forth through a study of the state's present-day cattle industry, with its modern, scientific methods and its well-organized marketing operations.

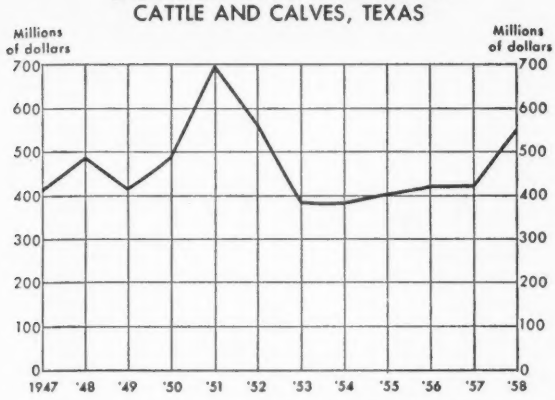
The open range has all but disappeared from the state, and almost all of the huge cattle spreads have yielded to smaller, closely supervised ranches. In the past quarter-century thousands of farmers, particularly in the East Texas Piney Woods section of the state, have converted former crop land into pasture and have gone into what amounts to cattle farming. Along with this, an increasing number of ranchers, farmers, feedmill operators, and city investors have gone into various forms of feeding and finishing operations. Today's cattleman has modern machinery, good transportation, and abundant information on every phase of the business to aid him in planning and carrying out his operations. In short, the Texas cattle industry is in many respects a different kind of industry from what is was a generation ago. Most of the changes it has undergone have strengthened its place as a major source of the state's agricultural income.

Last year Texas cattlemen received a total of approximately $547,879,000 from the sale of cattle, which amounted to a 29% increase in revenue from this source over a year earlier. However, this amount was 22% below the state's all-time high of $698,252,000 received in 1951. To properly understand the significance of the above variations, it is necessary to take a look at the long-range behavior of the cattle market and the main influences on the supply and demand factors that cause the violent cyclical fluctuations of this market.

In other words, the price of beef cattle and calves on the open market is subject to the law of supply and demand. There are two distinct cycles that primarily affect the supply of beef cattle being marketed at any particular time. One of these is caused by the cattle producers adjusting the size of their herds to meet current demand. That is, when the market price of cattle, all grades including calves, starts to increase, producers begin to increase the size of their herds, thus increasing production in order to take full advantage of the higher market prices. In turn the increased supply forces the high prices to break and the market begins the downward side of the cycle. When prices break, cattlemen curtail production, which causes prices to rise again.

The other factor, which Texas is particularly subject to, is the climatic cycle. The state suffers from periods of drouth followed by several years of relatively heavy rain; this recurrent phenomenon has a direct and profound effect on the supply of beef cattle going to market, without regard for demand. During long periods of drouth, such as the one that ended in 1957, cattle raisers are forced to sell off their beef cattle because of poor range conditions and lack of feed; as the drouth becomes more severe, cattlemen have to sell a portion of their basic breeding herds. Of course, parallel to poor range conditions is the fact that hay and

CASH RECEIPTS FROM THE SALE OF CATTLE AND CALVES, TEXAS



Source: Texas Agricultural Experiment Station and U.S. Department of Agriculture.

feed production is very low during drouth years, making these commodities expensive. Though the number of calves born during an extended dry spell decreases rapidly, in spite of this the number of cattle going to market remains very heavy and exerts heavy downward pressure on cattle prices. Of course, when the rains come again, and pasture and feed conditions improve, farmers and ranchmen start building up their depleted herds.

The first phase of this replenishment program involves the buying of new breeding or stocker cattle. A large demand for this type by cattlemen starts market prices moving upward. At more or less the same time the second phase of this program, which involves the dedication of new calves to breeding herds rather than to the open market, tends to curtail the general supply, compounding the upward pressure on the price of cattle. This interaction affects the price of virtually all grades.

In other words, a replenishment effort, such as the one that has been going on in Texas since 1957, imposes strong upward pressures on the cattle market from both sides of the ledger. Although these two cycles are inherently entirely separate from each other, they can work complementarily to one another.

Such a combination of circumstances occurred at the cattle market's all-time high point in 1951. The livestock market at that time had undergone an almost uninterrupted 11-year climb, and, of course, production of cattle had steadily increased in harmony with the climb, creating an abnormally large inventory of salable beef on the hoof. The rains stopped; the pastures dried up; Texas was in for another drouth. As a result the price paid for cattle, on a nationwide basis, declined 13% from 1951 to 1952, followed by a decline of 31% between 1952 and 1953; the national cattle market continued to decline at a much slower rate until 1957. However, Texas' receipts from the sale of cattle and calves did not follow this exact pattern. From 1951 to 1952 the state's receipts from the sale of cattle declined 19%, followed in 1953 by a 31% decline; but these receipts began to show an upturn in 1954 and have slowly but steadily increased ever since.

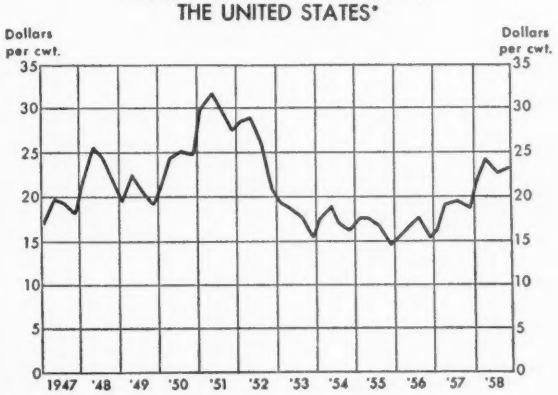
Texas' receipts formed a different pattern from the nationwide price pattern because most of the cattle sold by the state's farmers and ranchers are of the feeder and stocker class. In fact, the pattern formed by the Texas receipts was almost the same as the pattern of stocker and feeder sales during this period.

A sharp decline occurred in the price paid for agricultural products raised in the Middlewestern "corn belt" at the same time that the price of cattle had reached a low point. Since the corn belt has always been a major feeding area for cattle, farmers there decided that it would be more profitable to increase feeding operations than to sell their agricultural products on the open market. Their decision created a large demand for feeder cattle at the time when the cattle market badly needed support.

At this same time a strong demand for stocker cattle came from Northeast Texas and several of the states in the Deep South. Particularly during the early 1950's cattle breeding and raising became very popular throughout the South; from the East Texas Timbers to Florida, farmers began turning unproductive farm land into pasture and began raising cattle. The *U. S. Census of Agriculture* shows that there was a tremendous increase in stocker cattle on Northeast Texas farms in the 4 years between 1950 and 1954. Similar or even larger buildups occurred in Mississippi, Louisiana, Georgia, Florida, and other Southern states.

Put together, the demand for feeders from the corn belt and demand for stockers from the South acted to support the prices of these types in 1953 and even to start an upward price movement. Since Texas' cattle income is so dependent on the sale of stockers and feeders, the increase was large enough to cause an actual increase of about 1% in the state's total cattle income. An even more intensified

SLAUGHTER CATTLE PRICES IN THE UNITED STATES*



*Prices plotted for the months of Feb., May, Aug., and Nov.

Source: Agricultural Marketing Service, U.S. Department of Agriculture

demand from the South for stockers correlated with increased sales of cattle from base herds for whatever price they would bring kept the state's income from this source slowly increasing until the rains fell again, initiating another replenishment program.

The state's total cash income from the sale of beef cattle and calves has increased only 14% since 1953, though the prices currently being paid for cattle are just about double what they were then. This paradox is a result of the holding back of calves by farmers and ranchmen to build up their herds. In other words, the comparatively small gains in revenue from cattle in the past two years have been due to the fact that Texas producers have been willing to pass up immediate income in hopes of larger future profits.

At the present time there are over 8 million head of beef cattle on Texas ranges, which is the highest inventory in history. This situation is partly due to a very active replenishment program in West and South Texas, partly due to a very large grassland reclamation program in the South Plains, and partly due to the rapid development of the "new cow country" in Northeast Texas.

Besides the very large numbers on ranches and farm pastures, there are now about 182,000 head of cattle and calves in the state's 94 commercial feed pens. This amounts to a sharp increase of 68% over the number of cattle and calves on feed at this time last year. Because of the very high prices being offered for prime and choice cattle and for veal calves, coupled with the current relatively low price of feeds, feed lots all over the nation are operating at a very high percent of capacity; the current trend is for them to restock more head than they put out. As mentioned earlier, the feed lot is comparatively new on the Texas scene. However, more and more Texas capital is going into this type of operation.

In fact, there is already some anxiety concerning the rapid recovery and further expansion of the state's cattle industry. Since all of the cattle being fed, as well as a great number of those on the range, are destined for slaughter, the new broader base of the state's industry may lead to an oversupply problem. Not only Texas but every cattle producing and feeding state is turning out record numbers of slaughterhouse cattle. This very high inventory could develop into a dangerous situation if farmers and ranchers decided to market a large percentage of their herds at approximately the same time, as might occur, for example, if a prolonged drouth were suspected. Market prices would undoubtedly decline severely.

One other force that has been acting on the cattle market in the past few years could add to the danger. As has been noted, the demand for breeder and stocker cattle has been strong since 1953. However, there are presently indications that buyers of both types of cattle have just about built up their herds, and, therefore, will sharply curtail their bidding in the near future. If this demand is withdrawn from the market, it will eliminate some of the upward pressure on prices that has been apparent on the market for the past several years.

INDEXES OF PRICES RECEIVED BY FARMERS
(1909–14=100)

Source: Bureau of Agricultural Economics, U.S. Department of Agriculture

Index	Oct 1959	Sept 1959	Oct 1958	Percent change: Oct 1959 from Sept 1959	Percent change: Oct 1959 from Oct 1958
ALL FARM PRODUCTS	266	274	285	— 3	— 7
ALL CROPS	226	228	238	— 1	— 5
Food grains	213	201	210	+ 6	+ 1
Feed grain and hay	141	140	144	+ 1	— 2
Potatoes and sweet potatoes	137	161	160	— 15	— 14
Fruit	143	127	216	+ 13	— 34
Truck crops	290	285	264	+ 2	+ 10
Cotton	241	248	256	— 3	— 6
Oil-bearing crops	183	188	200	— 3	— 8
LIVESTOCK AND PRODUCTS	318	334	347	— 5	— 8
Meat animals	394	426	444	— 8	— 11
Dairy products	249	245	254	+ 2	— 2
Poultry and eggs	193	183	220	+ 5	— 12
Wool	261	273	236	— 4	+ 13

Against this somewhat pessimistic outlook, however, should be set other considerations which, at least in the long run, support a more optimistic reading of the future of the Texas cattle industry. It is quite true that there are many more producers of cattle now than ever before, and those producers have more propensity to produce than ever before. Much the same thing, however, is true of the consuming public: the nation has a rapidly increasing population, all in the market for a nice, juicy steak, and at the same time an increasing income per spending unit, more money to buy the steak. At the present time each American on the average consumes about 80 pounds of beef each year, which is significantly higher than per capita beef consumption a few years ago, chiefly because of the growth

CARLOAD SHIPMENTS OF LIVESTOCK*

Source: Bureau of Business Research in cooperation with Agricultural Marketing Service, U. S. Department of Agriculture

Classification	Oct 1959	Sept 1959	Oct 1958	Percent change: Oct 59 from Sept '59	Percent change: Oct '59 from Oct '58
TOTAL	3,968	3,377	5,447	+ 18	— 27
Cattle	3,235	2,520	4,313	+ 28	— 25
Calves	685	623	1,067	+ 10	— 36
Sheep	48	234	67	— 79	— 28
INTERSTATE	3,709	3,090	5,001	+ 20	— 26
Cattle	3,068	2,301	3,992	+ 33	— 23
Calves	593	562	954	+ 6	— 38
Sheep	48	227	55	— 79	— 13
INTRASTATE	259	287	546	— 10	— 53
Cattle	167	219	421	— 24	— 60
Calves	92	61	113	+ 51	— 19
Sheep	0	7	12	—100	—100

* Rail-car basis: Cattle, 30 head per car; calves, 60; hogs, 80, and sheep, 250.

of per capita disposable income in recent years. Both disposable income per capita and population are increasing, a strong indication that per capita consumption of beef will continue to climb strongly.

Barring any major change in the climatic cycle or any major catastrophe in the nation's economy, no serious decline in cattle prices is anticipated for the next several years. Of course, the slacking in demand for stockers will bring some downward adjustment in cattle prices, but this is expected to be partly offset by increased demand from the state's feed lots. It is true that the supply of beef cattle is growing much faster than consumption at the present time, indicating some decline in market prices in the next year or two.

On the other hand, though, if in the number of cattle on range, pasture, and in feed lots the present inventory seems large, it is also true that there is much more economic information available to cattlemen today than ever before. There is hope that this information will enable cattle producers to avoid the serious over-production that has prevailed in previous cycles, and that another major price break can be avoided. In spite of the increasing popularity of beef production in other Southern states, Texas is still the nation's number one producer; 10% of all the nation's beef cattle is bred in this state. Therefore, even in the event of somewhat lower prices paid for beef cattle the state's income from the sale of cattle and calves is expected to rise —at least until the next drouth. Perhaps by that time some partial solution to the weather problem will be found. It is being worked on.

Building Construction:

NONRESIDENTIAL GAIN BALANCES HOMEBUILDING DECLINE IN OCTOBER

By ROBERT H. DRENNER

An estimated $111,405,000 in urban building construction was authorized in Texas in October. This amount was 10% above the September figure and 10% above the October 1958 permit level. The September-to-October increase was in contrast to a normal permit decline between the two months; as a result the seasonally adjusted monthly index of permits issued rose sharply from September's 223 to 284 (1947–49=100). At this point the index was at its second highest level thus far this year, behind only August's 308.

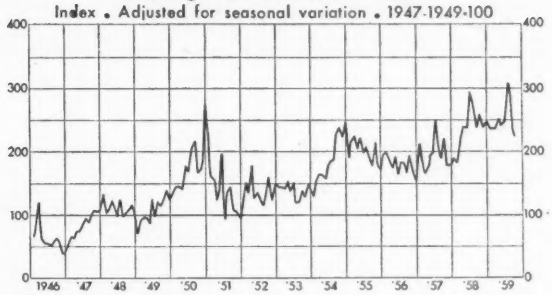
Total urban building authorized in the state through the first ten months of 1959 was 7% above the comparable 1958 figure. Permits for new building (that is, excluding permits for additions, alterations, and repairs) showed a 6% ten-month gain. It is not expected that either of these figures will be much changed when twelve-month totals are in; a declining trend in permits for new homes should be roughly balanced by growing strength in the nonresidential category—as was the case in October, for example, when all of the improvement from the preceding month was due to a remarkable 66% increase in nonresidential authorizations.

RESIDENTIAL

Permits issued in October for new urban residential building in Texas represented construction valued at an estimated $50,300,000, down 16% from September and 18% below the October 1958 figure. Permits for new homes usually slow somewhat in Texas from September to October, but the decline this year was roughly double the usual seasonal fall. As a result the seasonally adjusted residential index fell moderately to 260 from September's 277.

The October decline in new residence permits cut sharply into the category's cumulative improvement over last year. For the first nine months authorizations were 8% above

Building Construction in Texas*



*Value of building construction authorized.

January-September 1958, but this figure fell to 5% in the ten-month comparison. It will probably fall several more percentage points in the twelve-month total. The same economic forces—chiefly, the high cost of mortgage money—that are slowing U. S. homebuilding are acting in the same way on the Texas industry. Also, November and December of last year were good new home permit months in Texas, and it is unlikely that the same two months this year will be up to those levels. All in all, the probability is that 1959 will be a better year than 1958 in terms of the dollar value of new homes authorized for construction, but that the improvement will be relatively small. After adjustment for a small rise in construction costs during the year, the physical volume of building represented by permits issued in the state in 1959 will be at virtually the same level as in the preceding year. It may of course be necessary to slightly modify these conclusions if both November and December permits exhibit violent random statistical variations in the same direction.

There is little evidence that the steel strike, or its end, had any significant effect on over-all building activity in either the state or the nation. There is also little evidence that the recent homebuilding boom has saturated the market for new homes. There is a great deal of evidence, on the other hand, of buyer reluctance to assume 6¼% or higher

Available

INDEX OF PUBLICATIONS OF BUREAUS OF BUSINESS AND ECONOMIC RESEARCH, SUPPLEMENT, 1958.

Published by Associated University Bureaus of Business and Economic Research, 1959. Bureau of Business Research, University of Oregon, Eugene, Oregon $2.00).

American university and college bureaus of business and economic research publish reports, monographs, bulletins, and books on a wide variety of business, industrial, and economic topics. There are over fifty such bureaus in the United States (nearly all of which belong to the Association), and no comprehensive bibliography of their many publications is available elsewhere. These publications deal not only with local, state, and regional topics but also with general business and economic developments and problems, and the *Index* is an extremely useful reference to this wide range of materials. The above *Supplement* lists over 300 items published in 1958. Indexes are also available for bureau publications for the period 1950–1957. *Index of Publications of Bureaus of Business and Economic Research, 1950–1956* ($2.00), and *Supplement, 1957* ($1.00) may also be ordered from the Bureau of Business Research, University of Oregon, Eugene, Oregon. The Bureau of Business Research of The University of Texas will also forward orders for these publications.

new home mortgages. There is little expectation that interest rates will decline significantly in the next three or four months; the prevailing opinion is that it will be late next spring before the mortgage money supply eases enough to stimulate another sustained rise in homebuilding activity. It is admitted by many of those who voice this opinion, however, that it rests upon what is little more than a guess about the probable movement of the nation's economy over the next year. Just how that economy will react to the end of the steel strike (and much more so, how it behaves if the strike is resumed) is a matter of considerable uncertainty. However, after admitting uncertainty over the performance of the general economy and the homebuilding industry for 1960 as a whole, it is still generally considered that home construction through at least the first quarter of next year will compare unfavorably with the same quarter in 1959.

A quite different trend from that expected for the inclusive residential category, however, is anticipated for that portion of the category represented by multiple-family dwelling units. Last year apartment and duplex construction, up strongly over the nation, showed a 173% rise from the 1957 level in Texas. This year such construction generally slowed somewhat from its record 1958 level; in Texas, for example, the decrease through the first ten months amounted to 18%. It is apparent, however, that even with this decrease Texas apartment building has been at an extremely high rate this year. The factors that are expected to push apartment building nationally back up to boom levels should also stimulate some improvement in Texas from even the present high level of activity.

NONRESIDENTIAL

Nonresidential building in Texas, after disappointing permit declines in August and September, in October at last began to show some of the strength expected of it. Permits were issued for an estimated $50,543,000 in new nonresidential building. This amount was 66% above the September figure and an even more remarkable 73% above the October 1958 figure. The October-to-October increase improved the 1959 cumulative showing for the category; a nine-month gain from 1958 of 6% rose to a 9% improvement for the ten-month totals. The latter percentage is expected to rise another point or two for the year as a whole.

The normal seasonal pattern for nonresidential permits issued in Texas shows a September-to-October decline. The actual 66% rise pushed the seasonally adjusted nonresidential index up from September's 183 to 341, at which point the index was at the highest value ever recorded for October and the second highest value recorded for any month (exceeded only by December 1950, when it rose to 359). The index will almost certainly fall next month, but, excepting random variations, should on the average remain well above index values in November and December 1958.

Frequently an unusually large month-to-month gain in Texas nonresidential building permits can be traced to the effect of a few unusually large permits, but this was not the case this October. On the other hand, the improvement for the nonresidential category as a whole was attributable to strong gains by several major subclassifications, while at the same time none of the major subcategories recorded large September-to-October declines.

The largest October gains were in permits for new residential (nonhousekeeping) buildings (+1,171% primarily due to a 1,110% rise in authorizations for new tourist courts); churches (+42%); factories (+41%); hospitals (+52%); office-bank buildings (+169%); utilities (+778%); and stores (+40%). All of these gains greatly improved the cumulative showing for each of the respective subdivisions. Permits for new amusement buildings (bowling alleys, theaters) rose a moderate 26%. The most important category to record a September-to-October decline was educational buildings (—7%); considering the general shortage of classroom space this category has been most disappointing all this year, both in Texas and the nation as a whole.

Ten-month showings for the individual nonresidential classifications varied considerably. Good gains from 1958 were recorded in permits for new hotels (+21%), amusement buildings (+22%), churches (+15%), factories (+17%), private garages (+22%), hospitals and other institutional buildings (+52%), office-bank buildings (+28%), and stores (+29%). Decreases from January-October 1958, on the other hand, were shown in permits for tourist courts (—37%), commercial garages (—39%), service stations (—4%), utilities (—20%), and educational buildings (—22%).

ESTIMATED VALUE OF BUILDING AUTHORIZED

Source: Bureau of Business Research in cooperation with the Bureau of the Census, U. S. Department of Commerce

Classification	Oct 1959	January-October 1959	January-October 1958	Percent change Jan-Oct 1959 from Jan-Oct 1958
	Thousands of dollars			
CONSTRUCTION CLASS				
ALL PERMITS	111,405	1,090,170	1,018,127	+ 7
New construction	100,843	978,916	919,391	+ 6
Residential (housekeeping)	50,300	627,208	597,275	+ 5
One-family dwellings	46,855	585,051	545,770	+ 7
Multiple-family dwellings	3,445	42,159	51,505	— 18
Nonresidential buildings	50,543	351,708	322,116	+ 9
Nonhousekeeping buildings (residential)	712	15,300	21,682	— 29
Amusement buildings	1,072	10,931	8,950	+ 22
Churches	3,085	37,184	32,453	+ 15
Factories and workshops	1,290	26,722	22,812	+ 17
Garages (commercial and private)	433	4,579	4,132	+ 11
Service stations	734	7,809	8,166	— 4
Institutional buildings	4,331	22,210	14,607	+ 52
Office-bank buildings*	20,485	70,611	55,023	+ 28
Works and utilities	1,124	10,924	13,728	— 20
Educational buildings	6,280	60,572	77,269	— 22
Stores and mercantile buildings	8,882	79,278	61,255	+ 29
Other buildings and structures‡	2,115	14,597	12,880	+ 13
Additions, alterations, and repairs§	10,562	111,255	98,735	+ 13
METROPOLITAN vs. NON-METROPOLITAN†				
Total metropolitan	88,155	814,999	767,609	+ 6
Central cities	76,526	699,559	655,021	+ 7
Outside central cities	11,629	115,440	112,588	+ 3
Total nonmetropolitan	23,250	275,171	250,518	+ 10
10,000 to 50,000 population	15,919	192,980	181,706	+ 6
Less than 10,000 population	7,331	82,191	68,812	+ 19

* Includes public (nonfederal) administration buildings beginning July 1957.

‡ Includes government (nonfederal) service buildings beginning July 1957.

§ Includes additions and alterations to public buildings beginning July 1957.

† As defined in 1950 census.

Local Business Conditions

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
ABILENE (pop. 62,500[r])			
Retail sales	+ 3†	+ 24	+ 14
Apparel stores	+ 2†	+ 3	— 3
General merchandise stores	+ 10†	+ 2	+ 11
Postal receipts* $	113,648	+ 26	+ 7
Building permits, less federal contracts $	1,261,469	— 36	— 39
Bank debits (thousands) $	100,274	— 1	+ 7
End-of-month deposits (thousands)‡ $	64,371	+ 1	+ 5
Annual rate of deposit turnover	18.7	— 2	+ 3
Employment (area)	32,900	+ 1	+ 4
Manufacturing employment (area)	3,390	**	— 1
Percent unemployed (area)	4.4	— 4	— 14
ALICE (pop. 22,945[r])			
Retail sales			
Lumber, building material, and hardware stores	+ 8†	+ 8	+ 22
Postal receipts* $	16,112	+ 8	+ 3
Building permits, less federal contracts $	93,094	+ 54	+123
ALPINE (pop. 5,261)			
Postal receipts* $	4,599	+ 5	— 9
Building permits, less federal contracts $	5,700	+111	.....
Bank debits (thousands) $	3,498	+ 32	+ 20
End-of-month deposits (thousands)‡ $	4,159	+ 9	— 1
Annual rate of deposit turnover	10.5	+ 25	+ 15
AMARILLO (pop. 147,949[r])			
Retail sales	+ 3†	— 3	+ 19
Apparel stores	+ 2†	+ 3	+ 22
Automotive stores	+ 3†	— 11	+ 27
Drug stores	+ 1†	+ 5	— 7
Eating and drinking places	+ 5†	**	+ 16
Furniture and household appliance stores	+ 5†	+ 5	+ 39
Gasoline and service stations	+ 3†	+ 13	+ 6
Liquor stores	.....	+ 7	+ 3
Lumber, building material, and hardware stores	+ 8†	— 8	— 24
Postal receipts* $	212,843	+ 29	+ 19
Building permits, less federal contracts $	2,820,625	+ 49	+ 32
Bank debits (thousands) $	229,189	+ 1	+ 6
End-of-month deposits (thousands)‡ $	117,911	+ 2	— 2
Annual rate of deposit turnover	23.6	+ 1	+ 7
Employment (area)	52,200	**	+ 4
Manufacturing employment (area)	5,930	**	+ 5
Percent unemployed (area)	2.7	+ 8	— 21
AUSTIN (pop. 197,000[r])			
Retail sales	+ 3†	+ 13	+ 17
Apparel stores	+ 2†	+ 3	+ 6
Automotive stores	+ 3‡	+ 51	+ 59
Eating and drinking places	+ 5†	+ 3	— 6
Furniture and household appliance stores	+ 5†	+ 12	+ 7
Gasoline and service stations	+ 3†	+ 5	+ 8
General merchandise stores	+ 10†	+ 11	+ 5
Lumber, building material, and hardware stores	+ 8†	+ 1	+ 15
Postal receipts* $	364,039	+ 5	+ 11
Building permits, less federal contracts $	5,070,187	— 30	+ 41
Bank debits (thousands) $	209,839	+ 4	+ 7
End-of-month deposits (thousands)‡ $	150,696	+ 5	+ 22
Annual rate of deposit turnover	17.2	+ 4	— 11
Employment (area)	73,300	— 6	+ 4
Manufacturing employment (area)	5,870	+ 1	+ 7
Percent unemployed (area)	2.6	— 16	— 30
ARLINGTON (pop. 45,340[r])			
Postal receipts* $	30,269	— 14	+ 6
Building permits, less federal contracts $	598,029	+255	— 53
Employment (area)	207,800	**	+ 3
Manufacturing employment (area)	55,775	**	+ 2
Percent unemployed (area)	3.7	— 7	— 33
BAY CITY (pop. 14,042[r])			
Drug stores	+ 1†	— 9	— 11
Postal receipts* $	11,017	+ 8	— 4
Bank debits (thousands) $	14,911	— 2	+ 13
End-of-month deposits (thousands)‡ $	21,313	+ 6	+ 4
Annual rate of deposit turnover	8.6	— 8	+ 9
BAYTOWN (pop. 28,945[r])			
Retail sales			
Postal receipts* $	23,098	+ 9	— 6
Building permits, less federal contracts $	401,928	+ 5	+ 55
Bank debits (thousands) $	21,068	— 2	+ 4
End-of-month deposits (thousands)‡ $	23,043	+ 4	**
Annual rate of deposit turnover	11.2	— 2	+ 7
Employment (area)	484,300	**	+ 4
Manufacturing unemployed (area)	91,200	— 1	— 1
Percent unemployed (area)	4.2	+ 2	— 32
BEAUMONT (pop. 122,485[r])			
Retail sales	+ 3†	+ 23	+ 17
Apparel stores	+ 2†	+ 37	+ 4
Automotive stores	+ 3†	+ 31	+ 30
Eating and drinking places	+ 5†	+ 3	+ 1
Food stores	**†	— 2	+ 3
Furniture and household appliance stores	+ 5†	+ 24	— 13
General merchandise stores	+ 10†	+ 43	+ 7
Lumber, building material, and hardware stores	+ 8†	— 17	+ 18
Postal receipts* $	116,268	+ 16	— 7
Building permits, less federal contracts $	3,468,689	+157	+151
Bank debits (thousands) $	157,649	— 3	+ 5
End-of-month deposits (thousands)‡ $	98,952	— 2	— 6
Annual rate of deposit turnover	19.0	— 3	+ 10
Employment (area)	104,700	— 1	+ 1
Manufacturing employment (area)	32,670	— 2	— 2
Percent unemployed (area)	8.1	— 2	— 23
BEEVILLE (pop. 15,105[r])			
Retail sales			
Lumber, building material, and hardware stores	+ 8†	+ 14	+ 12
Postal receipts* $	11,906	+ 14	**
Building permits, less federal contracts $	47,878	— 41	— 86
Bank debits (thousands) $	9,658	— 6	+ 5
End-of-month deposits (thousands)‡ $	13,749	— 1	**
Annual rate of deposit turnover	8.4	— 5	+ 2
BIG SPRING (pop. 30,433[r])			
Retail sales	+ 3†	+ 16	+ 14
Automotive stores	+ 3†	+ 39	+ 24
Drug stores	+ 1†	**	+ 1
Lumber, building material, and hardware stores	+ 8†	— 13	— 8
Postal receipts* $	36,232	+ 54	+ 28
Building permits, less federal contracts $	164,447	— 25	— 37
Bank debits (thousands) $	41,723	+ 4	— 3
End-of-month deposits (thousands)‡ $	27,539	+ 5	— 11
Annual rate of deposit turnover	18.7	+ 3	+ 10

For explanation of symbols, see page 23.

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
BRADY (pop. 5,944)			
Postal receipts*	$ 4,793	+ 18	+ 10
Building permits, less federal contracts	$ 3,000	— 76	— 63
Bank debits (thousands)	$ 5,120	+ 5	— 7
End-of-month deposits (thousands)‡	$ 7,278	+ 1	— 1
Annual rate of deposit turnover	8.5	+ 4	— 8
BRENHAM (pop. 6,941)			
Postal receipts*	$ 7,787	— 4	+ 1
Building permits, less federal contracts	$ 57,978	— 8	+ 22
Bank debits (thousands)	$ 12,195	+ 20	+ 27
End-of-month deposits (thousands)‡	$ 12,961	+ 4	— 2
Annual rate of deposit turnover	11.5	+ 17	+ 29
BROWNSVILLE (pop. 36,066)			
Retail sales			
Automotive stores	+ 3†	+ 34	+ 10
Lumber, building material, and hardware stores	+ 8†	+ 8	+ 16
Postal receipts*	$ 31,924	+ 18	— 2
Building permits, less federal contracts	$ 164,957	— 17	+137
BROWNWOOD (pop. 20,181)			
Retail sales	+ 3†	+ 8	+ 10
Apparel stores	+ 2†	+ 2	+ 13
Automotive stores	+ 3†	+ 12	+ 9
Furniture and household appliance stores	+ 5†	— 9	— 1
Postal receipts*	$ 21,466	— 7	.....
Building permits, less federal contracts	$ 244,400‖	+1744‖	+1094‖
Bank debits (thousands)	$ 13,455	— 1	+ 5
End-of-month deposits (thousands)‡	$ 13,151	+ 2	••
Annual rate of deposit turnover	12.4	— 2	+ 6
BRYAN (pop. 23,883r)			
Retail sales	+ 3†	+ 28	+ 18
Apparel stores	+ 2†	+ 34	+ 17
Lumber, building material, and hardware stores	+ 8†	— 2	+ 17
Postal receipts*	$ 20,064	— 3	— 16
CALDWELL (pop. 2,100r)			
Bank debits (thousands)	$ 2,877	+ 20	+ 19
End-of-month deposits (thousands)‡	$ 4,785	+ 6	+ 10
Annual rate of deposit turnover	7.4	+ 16	+ 9
CISCO (pop. 5,230)			
Postal receipts*	$ 4,960	+ 17	+ 10
Bank debits (thousands)	$ 3,290	+ 3	+ 12
End-of-month deposits (thousands)‡	$ 4,036	— 1	+ 10
Annual rate of deposit turnover	9.7	+ 1	+ 2
CORPUS CHRISTI (pop. 180,000r)			
Retail sales	+ 3†	+ 12	+ 25
Apparel stores	+ 2†	+ 12	+ 20
Automotive stores	+ 3†	+ 6	+ 62
Lumber, building material, and hardware stores	+ 8†	+ 4	— 24
Postal receipts*	$ 164,452	+ 12	.....
Building permits, less federal contracts	$ 1,019,979	— 17	— 31
Bank debits (thousands)	$ 192,763	— 2	+ 3
End-of-month deposits (thousands)‡	$ 111,027	— 1	— 5
Annual rate of deposit turnover	20.8	— 1	+ 8
Employment (area)	64,100	••	— 3
Manufacturing employment (area)	8,290	••	••
Percent unemployed (area)	4.8	— 2	— 23
CORSICANA (pop. 25,262r)			
Postal receipts*	$ 33,954	+109	+ 43
Building permits, less federal contracts	$ 147,475	+293	+ 11
Bank debits (thousands)	$ 18,287	+ 6	— 9
End-of-month deposits (thousands)	$ 20,463	+ 2	— 8
Annual rate of deposit turnover	10.8	+ 5	— 1
DALLAS (pop. 641,000r)			
Retail sales	+ 5†	+ 22	+ 11
Apparel stores	+ 8†	+ 12	+ 5
Automotive stores	— 1†	+ 39	+ 63
Eating and drinking places	+ 11†	+ 11	— 5
Florists	+ 10†	+ 4	+ 2
Furniture and household appliance stores	— 2†	+ 15	+ 23
Jewelry stores	.....	+ 21	— 10
Liquor stores	.....	+ 1	+ 13
Lumber, building material, and hardware stores	+ 1†	+ 8	— 8
Office, store, and school supply dealers	+ 1†	— 37	— 35
Postal receipts*	$ 2,121,078	+ 7	.....
Building permits, less federal contracts	$10,782,452	— 16	— 4
Bank debits (thousands)	$ 2,641,263	+ 3	+ 10
End-of-month deposits (thousands)‡	$ 1,147,623	+ 1	+ 3
Employment (area)	400,400	+ 1	+ 3
Manufacturing employment (area)	85,700	+ 1	— 3
Percent unemployed (area)	2.5	— 14	— 29
DEL RIO (pop. 14,292r)			
Postal receipts*	$ 12,853	+ 9	.....
Building permits, less federal contracts	$ 375,168	+357	+180
Bank debits (thousands)	$ 10,311	— 1	+ 6
End-of-month deposits (thousands)‡	$ 12,908	+ 1	+ 16
Annual rate of deposit turnover	9.7	— 2	— 7
DENTON (pop. 29,479r)			
Retail sales			
Drug stores	+ 1†	+ 8	+ 7
Postal receipts*	$ 26,905	— 18	+ 19
Building permits, less federal contracts	$ 1,519,382	+861	+1001
Bank debits (thousands)	$ 19,819	+ 11	.....
End-of-month deposits (thousands)‡	$ 18,326	— 1	.....
Annual rate of deposit turnover	12.9	+ 11	.....
EDINBURG (pop. 15,993r)			
Postal receipts*	$ 13,956	+ 58	+ 34
Building permits, less federal contracts	$ 106,670	+ 35	+ 30
Bank debits (thousands)	$ 13,196	— 16	+ 20
End-of-month deposits (thousands)	$ 8,982	+ 7	+ 7
Annual rate of deposit turnover	18.2	— 17	+ 18
EL PASO (pop. 244,000r)			
Retail sales	+ 3†	+ 14	+ 16
Automotive stores	+ 3†	+ 32	+ 62
Food stores	••†	+ 4	••
General merchandise stores	+ 10†	+ 19	••
Lumber, building material, and hardware stores	+ 8†	••	+ 11
Postal receipts*	$ 278,118	+ 12	+ 7
Building permits, less federal contracts	$ 4,880,563	— 37	— 20
Bank debits (thousands)	$ 378,609	+ 14	+ 18
End-of-month deposits (thousands)‡	$ 170,342	+ 4	+ 8
Annual rate of deposit turnover	27.1	+ 14	+ 10
Employment (area)	86,000	+ 3	+ 4
Manufacturing employment (area)	13,290	+ 4	— 2
Percent unemployed (area)	3.2	— 6	— 6

For explanation of symbols, see page 23.

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
FORT WORTH (pop. 373,000[r])			
Retail sales	+ 4†	+ 6	**
Apparel stores	+ 8†	+ 7	— 1
Automotive stores	— 2†	+ 22	+ 23
Drug stores	+ 5†	— 1	+ 1
Eating and drinking places	+ 4†	— 2	— 18
Furniture and household appliance stores	+ 6†	+ 1	+ 12
Gasoline and service stations	+ 3†	— 10	— 10
General merchandise stores	+ 14†	+ 21	+ 8
Liquor stores	.....	+ 17	— 11
Lumber, building material, and hardware stores	+ 6†	— 13	— 25
Postal receipts* $	696,947	+ 16	+ 2
Building permits, less federal contracts $	4,275,018	+ 32	— 26
Bank debits (thousands) $	774,363	— 1	**
End-of-month deposits (thousands)‡ $	372,943	**	+ 1
Annual rate of deposit turnover	24.8	**	**
Employment (area)	207,800	**	+ 3
Manufacturing employment (area)	55,775	**	+ 2
Percent unemployed (area)	3.7	— 7	— 33
GALVESTON (pop. 71,590[r])			
Retail sales	+ 3†	+ 2	+ 5
Apparel stores	+ 2†	+ 7	+ 3
Automotive stores	+ 3†	+ 3	+ 12
Food stores	**†	+ 2	**
Lumber, building material, and hardware stores	+ 8†	— 21	— 15
Postal receipts* $	77,695	+ 3	— 6
Building permits, less federal contracts $	215,261	— 3	— 41
Bank debits (thousands) $	93,820	**	— 1
End-of-month deposits (thousands)‡ $	60,955	— 3	— 5
Annual rate of deposit turnover	18.2	+ 4	+ 2
Employment (area)	48,800	**	+ 1
Manufacturing employment (area)	9,800	— 1	— 11
Percent unemployed (area)	7.1	— 8	— 5
GARLAND (pop. 28,151[r])			
Postal receipts* $	24,783	+ 12	— 3
Building permits, less federal contracts $	472,529	— 7	— 49
Employment (area)	400,400	+ 1	+ 3
Manufacturing employment (area)	85,700	+ 1	— 3
Percent unemployed (area)	2.5	— 14	— 29
GIDDINGS (pop. 2,532)			
Postal receipts* $	3,653	+ 39	+ 26
Bank debits (thousands) $	2,719	+ 3	+ 20
End-of-month deposits (thousands)‡ $	3,943	+ 3	+ 7
Annual rate of deposit turnover	8.4	**	+ 15
GILMER (pop. 4,096)			
Retail sales			
General merchandise stores	+ 10†	+ 27	+ 7
Lumber, building material, and hardware stores	+ 8†	— 5	— 13
Postal receipts* $	6,916	+ 67	+ 51
Building permits, less federal contracts $	5,000	+ 43	— 13
GLADEWATER (pop. 6,281[r])			
Postal receipts* $	6,003	+ 11	+ 1
Building permits, less federal contracts $	30,250	+102	— 7
Bank debits (thousands) $	8,692	— 2	**
End-of-month deposits (thousands)‡ $	4,792	**	— 7
Annual rate of deposit turnover	9.2	— 5	+ 10
Employment (area)	28,000	**	+ 4
Manufacturing employment (area)	5,110	+ 3	+ 17
Percent unemployed (area)	3.5	**	— 31

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
GOLDTHWAITE (pop. 1,566)			
Postal receipts* $	1,888	+ 18	— 5
Bank debits (thousands) $	3,187	— 11	— 16
End-of-month deposits (thousands)‡ $	3,639	— 1	+ 3
Annual rate of deposit turnover	10.4	— 12	— 21
GRAND PRAIRIE (pop. 14,594)			
Postal receipts* $	20,990	+ 1	+ 15
Building permits, less federal contracts $	1,007,522	+102	+ 7
Employment (area)	400,400	+ 1	+ 3
Manufacturing employment (area)	85,700	+ 1	— 3
Percent unemployed (area)	2.5	— 14	— 29
GREENVILLE (pop. 20,034[r])			
Retail sales	+ 3†	+ 14	+ 3
Food stores	**†	+ 4	— 3
Lumber, building material, and hardware stores	+ 8†	— 6	— 11
Postal receipts* $	23,885	+ 28	+ 6
Building permits, less federal contracts $	130,850	— 29	— 25
Bank debits (thousands) $	20,355	+ 12	+ 22
End-of-month deposits (thousands)‡ $	16,472	+ 1	+ 9
Annual rate of deposit turnover	14.9	+ 16	+ 14
HARLINGEN (pop. 31,799[r])			
Retail sales	+ 3†	— 12	+ 5
Automotive stores	+ 3†	— 12	+ 6
Drug stores	+ 1†	+ 4	— 6
Furniture and household appliance stores	+ 5†	— 6	+ 7
Postal receipts* $	33,729	+ 6	— 1
Bank debits (thousands) $	44,429	— 39	+ 17
End-of-month deposits (thousands)‡ $	28,797	**	— 1
Annual rate of deposit turnover	18.5	— 33	+ 19
HENDERSON (pop. 11,606)			
Retail sales	+ 3†	+ 13	+ 17
Apparel stores	+ 2†	+ 17	+ 4
Furniture and household appliance stores	+ 5†	+ 17	— 8
Postal receipts* $	10,902	+ 10	+ 10
Building permits, less federal contracts $	100,100	— 29	+103
Bank debits (thousands) $	7,351	+ 5	— 4
End-of-month deposits (thousands)‡ $	16,659	+ 7	— 1
Annual rate of deposit turnover	5.5	+ 2	**
HOUSTON (pop. 700,508[u])			
Retail sales¶	+ 3†	+ 1	+ 3
Apparel stores¶	+ 6†	+ 15	— 2
Automotive stores ¶	+ 6†	+ 26	+ 16
Drug stores¶	+ 5†	+ 11	+ 11
Eating and drinking places¶	+ 3†	+ 5	+ 8
Food stores¶	+ 3†	+ 5	— 4
Furniture and household appliance stores¶	+ 9†	+ 5	— 28
Gasoline and service stations¶	**†	— 8	+ 5
General merchandise stores¶	+ 10†	+ 1	— 3
Liquor stores¶	.....	+ 17	+ 6
Lumber, building material, and hardware stores¶	— 5†	+ 4	+ 7
Postal receipts* $	1,522,331	+ 12	+ 6
Building permits, less federal contracts $	30,927,015	+ 86	+ 56
Bank debits (thousands) $	2,557,524	**	+ 5
End-of-month deposits (thousands)‡ $	1,245,190	+ 1	+ 3
Annual rate of deposit turnover	24.8	— 1	+ 2
Employment (area)	484,300	**	+ 4
Manufacturing employment (area)	91,200	— 1	— 1
Percent unemployed (area)	4.2	+ 2	— 32

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
HEREFORD (pop. 7,500[r])			
Postal receipts*	$ 7,713	— 9	.....
Building permits, less federal contracts	$ 20,200	— 86	— 72
Bank debits (thousands)	$ 15,054	+ 11	— 5
End-of-month deposits (thousands)‡	$ 11,654	+ 9	+ 1
Annual rate of deposit turnover	16.2	+ 1	— 7
IRVING (pop. 40,065[r])			
Postal receipts*	$ 19,431	— 5	— 5
Building permits, less federal contracts	$ 3,307,844	+150	+221
Employment (area)	400,400	+ 1	+ 3
Manufacturing employment (area)	85,700	+ 1	— 3
Percent unemployed (area)	2.5	— 14	— 29
JACKSONVILLE (pop. 8,607)			
Postal receipts*	$ 14,621	— 17	+ 2
Building permits, less federal contracts	$ 57,200	— 55	+ 23
Bank debits (thousands)	$ 14,721	— 4	.....
End-of-month deposits (thousands)‡	$ 8,807	— 2	.....
Annual rate of deposit turnover	19.8	— 4	.....
JASPER (pop. 4,403)			
Retail sales			
Automotive stores	+ 3†	+ 15	+ 54
Postal receipts*	$ 8,574	+ 27	+ 34
Bank debits (thousands)	$ 7,516	+ 7	+ 32
End-of-month deposits (thousands)‡	$ 8,367	— 1	+ 20
Annual rate of deposit turnover	10.7	+ 5	+ 7
KILGORE (pop. 12,373[r])			
Postal receipts*	$ 14,691	+ 22	+ 10
Building permits, less federal contracts	$ 72,784	— 14	— 40
Bank debits (thousands)	$ 17,329	+ 19	+ 9
End-of-month deposits (thousands)‡	$ 16,086	+ 1	+ 5
Annual rate of deposit turnover	13.0	+ 15	+ 6
Employment (area)	28,200	**	+ 4
Manufacturing employment (area)	5,110	+ 3	+ 17
Percent unemployed (area)	3.5	**	— 31
KILLEEN (pop. 26,646[r])			
Retail sales			
Lumber, building material, and hardware stores	+ 8†	+ 28	+ 18
Postal receipts*	$ 24,486	+ 7	— 17
Building permits, less federal contracts	$ 654,698	+ 88	+142
Bank debits (thousands)	$ 9,820	+ 6	+ 17
End-of-month deposits (thousands)‡	$ 7,055	+ 2	+ 7
Annual rate of deposit turnover	16.8	+ 7	+ 9
LAMESA (pop. 13,813[r])			
Retail sales			
Automotive stores	+ 3†	+ 14	+ 11
Postal receipts*	$ 21,781	+ 77	+ 9
Building permits, less federal contracts	$ 285,150	+ 28	+ 19
LAMPASAS (pop. 4,869)			
Postal receipts*	$ 5,387	+ 11	+ 3
Building permits, less federal contracts	$ 36,000	+ 80	— 56
Bank debits (thousands)	$ 6,504	— 2	+ 9
End-of-month deposits (thousands)‡	$ 6,780	— 1	+ 1
Annual rate of deposit turnover	11.5	+ 1	+ 6
LAREDO (pop. 59,350[r])			
Postal receipts*	$ 33,356	+ 26	+ 17
Building permits, less federal contracts	$ 171,660	— 72	+ 37
Bank debits (thousands)	$ 5,294	— 11	+ 24
End-of-month deposits (thousands)‡	$ 22,306	+ 2	**
Annual rate of deposit turnover	15.0	+ 3	+ 5
LLANO (pop. 2,957[r])			
Postal receipts*	$ 2,625	— 21	— 1
Bank debits (thousands)	$ 3,296	— 14	— 24
End-of-month deposits (thousands)‡	$ 4,306	— 4	+ 12
Annual rate of deposit turnover	9.0	— 12	— 33
LOCKHART (pop. 7,067[r])			
Postal receipts*	$ 3,978	+ 1	+ 1
Building permits, less federal contracts	$ 24,800	— 96	— 77
Bank debits (thousands)	$ 5,295	— 11	+ 24
End-of-month deposits (thousands)‡	$ 6,132	+ 9	+ 6
Annual rate of deposit turnover	10.8	— 15	+ 17
LONGVIEW (pop. 52,164[r])			
Postal receipts*	$ 41,921	+ 14	+ 4
Building permits, less federal contracts	$ 488,900	— 22	— 31
Bank debits (thousands)	$ 42,113	**	.....
End-of-month deposits (thousands)‡	$ 33,659	— 4	.....
Annual rate of deposit turnover	14.7	+ 11	.....
Employment (area)	28,200	**	+ 4
Manufacturing employment (area)	5,110	+ 3	+ 17
Percent unemployed (area)	3.5	**	— 31
LUBBOCK (pop. 152,776[r])			
Retail sales	+ 3†	+ 19	+ 22
Apparel stores	+ 2†	+ 24	+ 10
Automotive stores	+ 3†	+ 58	+ 66
Furniture and household appliance stores	+ 5†	**	+ 10
Lumber, building material, and hardware stores	+ 8†	+ 13	— 30
Postal receipts*	$ 145,722	+ 4	+ 6
Building permits, less federal contracts	$ 4,693,089	+ 53	+ 22
Bank debits (thousands)	$ 229,755	+ 25	+ 14
End-of-month deposits (thousands)‡	$ 110,037	+ 4	+ 2
Annual rate of deposit turnover	25.6	+ 25	+ 13
Employment (area)	53,300	+ 1	+ 9
Manufacturing employment (area)	5,560	+ 2	+ 12
Percent unemployed (area)	2.7	— 7	— 43
LUFKIN (pop. 20,846[r])			
Postal receipts*	$ 22,545	+ 27	+ 16
Building permits, less federal contracts	$ 259,350	+ 36	— 23
Bank debits (thousands)	$ 25,806	+ 5	+ 8
End-of-month deposits (thousands)‡	$ 24,817	— 2	+ 6
Annual rate of deposit turnover	12.4	+ 6	+ 3
McALLEN (pop. 25,326[r])			
Retail sales			
Automotive stores	+ 3†	— 9	+ 19
Postal receipts*	$ 25,781	+ 4	+ 2
Building permits, less federal contracts	$ 356,137	— 50	+194
Bank debits (thousands)	$ 27,543	+ 1	+ 24
End-of-month deposits (thousands)‡	$ 20,707	— 9	+ 7
Anual rate of deposit turnover	15.2	+ 9	+ 3
McKINNEY (pop. 16,653[r])			
Building permits, less federal contracts	$ 476,610	+310	+855
Bank debits (thousands)	$ 12,589	+ 19	+ 28
End-of-month deposits (thousands)‡	$ 12,948	+ 5	+ 1
Annual rate of deposit turnover	12.0	+ 3	+ 28

For explanation of symbols, see page 23.

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
MARSHALL (pop. 28,444[r])			
Retail sales			
Apparel stores	+ 2†	+ 16	+ 13
General merchandise stores	+ 10†	+ 24	+ 2
Postal receipts* $	20,921	— 3	+ 1
Building permits, less federal contracts $	212,480	+ 83	— 13
Bank debits (thousands) $	17,523	+ 11	+ 15
End-of-month deposits (thousands)‡ $	20,443	+ 1	+ 3
Annual rate of deposit turnover	10.4	+ 12	+ 12
MERCEDES (pop. 10,081)			
Postal receipts* $	6,724	+ 44	— 9
Building permits, less federal contracts $	18,170	+ 28	— 15
Bank debits (thousands) $	5,866	— 36	— 1
End-of-month deposits (thousands)‡ $	4,729	— 7	— 6
Annual rate of deposit turnover	14.4	— 33	+ 23
MIDLAND (pop. 54,288[r])			
Postal receipts $	81,157	+ 3	— 1
Building permits, less federal contracts $	2,240,725	— 14	+ 3
Bank debits (thousands) $	95,616	— 2	+ 10
End-of-month deposits (thousands)‡ $	91,691	+ 1	+ 10
Annual rate of deposit turnover	12.6	— 1	.....
MONAHANS (pop. 10,183[r])			
Postal receipts* $	8,690	+ 28	+ 2
Building permits, less federal contracts $	109,700	— 18	— 26
Bank debits (thousands) $	10,532	**	+ 14
End-of-month deposits (thousands)‡ $	7,654	+ 7	+ 3
Annual rate of deposit turnover	17.1	— 2	+ 13
NACOGDOCHES (pop. 14,770[r])			
Postal receipts* $	13,535	— 5	— 9
Building permits, less federal contracts $	54,187	— 63	+ 43
Bank debits (thousands) $	14,635	+ 2	+ 5
NEW BRAUNFELS (pop. 12,210)			
Postal receipts* $	17,283	+ 11	+ 11
Building permits, less federal contracts $	10,179	+ 1	+ 11
Bank debits (thousands) $	10,179	+ 1	+ 11
End-of-month deposits (thousands)‡ $	12,084	+ 1	+ 16
Annual rate of deposit turnover	10.2	— 1	— 6
ODESSA (pop. 87,521[r])			
Retail sales			
Furniture and household appliance stores	+ 5†	+ 46	— 2
Postal receipts* $	78,038	+ 31	+ 8
Building permits, less federal contracts $	1,946,454	— 15	+ 32
ORANGE (pop. 31,556[r])			
Retail sales			
Automotive stores	+ 3	+ 19	+ 14
Postal receipts* $	24,238	.....	+ 7
Building permits, less federal contracts $	858,544	.....	+353
Bank debits (thousands) $	24,345	+ 20	+ 21
End-of-month deposits (thousands)‡ $	21,843	+ 14	+ 6
Annual rate of deposit turnover	14.3	+ 12	+ 18
Employment (area)	104,700	— 1	+ 1
Manufacturing employment (area)	32,670	— 2	— 2
Percent unemployed (area)	8.1	— 2	— 23
PAMPA (pop. 26,720[r])			
Postal receipts* $	24,635	+ 21	+ 11
Building permits, less federal contracts $	307,961	— 42	— 52
Bank debits (thousands) $	23,821	+ 1	+ 15
End-of-month deposits (thousands)‡ $	24,175	— 12	— 5
Annual rate of deposit turnover	11.1	**	+ 12
PARIS (pop. 24,551[r])			
Retail sales	+ 3†	+ 33	+ 26
Apparel stores	+ 2†	+ 11	+ 20
Lumber, building material, and hardware stores	+ 8†	— 10	+ 6
Postal receipts* $	17,786	+ 2	— 4
Building permits, less federal contracts $	325,553	+ 47	+147
Bank debits (thousands) $	18,642	+ 8	+ 15
End-of-month deposits (thousands)‡ $	13,862	— 12	+ 2
Annual rate of deposit turnover	15.1	+ 3	+ 12
PASADENA (pop. 58,928[r])			
Postal receipts* $	39,925	+ 26	+ 27
Building permits, less federal contracts $	593,490	.....	— 44
Employment (area)	484,300	**	+ 4
Manufacturing employment (area)	91,200	— 1	— 1
Percent unemployed (area)	4.2	+ 2	— 32
PHARR (pop. 8,690)			
Postal receipts* $	6,039	+ 13	— 2
Bank debits (thousands) $	3,792	— 30	— 12
End-of-month deposits (thousands)‡ $	3,554	— 25	— 18
Annual rate of deposit turnover	11.0	— 15	— 10
PLAINVIEW (pop. 21,106[r])			
Retail sales	+ 3†	+ 17	+ 2
Apparel stores	+ 2†	+ 6	— 1
Automotive stores	+ 3‡	+ 27	+ 22
General merchandise stores	+ 10†	+ 43	— 14
Postal receipts* $	19,557	+ 22	+ 2
Building permits, less federal contracts $	226,530	+ 18	+ 22
PORT ARTHUR (pop. 82,150[u])			
Retail sales	+ 3†	+ 14	**
Apparel stores	+ 2†	+ 11	+ 7
Automotive stores	+ 3†	+ 22	+ 10
Furniture and household appliance stores	+ 5†	+ 6	— 3
Lumber, building material, and hardware stores	+ 8†	— 4	— 25
Postal receipts* $	55,060	.....	.....
Building permits, less federal contracts $	245,750	— 54	— 43
Bank debits (thousands) $	68,547	+ 13	+ 5
End-of-month deposits (thousands)‡ $	42,749	+ 1	— 7
Annual rate of deposit turnover	19.3	+ 12	+ 12
Employment (area)	104,700	— 1	+ 1
Manufacturing employment (area)	32,670	— 2	— 2
Percent unemployed (area)	8.1	— 2	— 23
RAYMONDVILLE (pop. 9,136[r])			
Postal receipts* $	5,630	— 5	.....
Building permits, less federal contracts $	6,345	— 80	— 44
Bank debits (thousands) $	8,348	— 57	+ 14
End-of-month deposits (thousands)‡ $	9,968	— 11	— 10
Annual rate of deposit turnover	9.5	— 51	.....
ROCKDALE (pop. 6,400[r])			
Postal receipts* $	4,182	+ 7	+ 16
Building permits, less federal contracts $	4,475	— 7	+348
Bank debits (thousands) $	3,849	+ 3	+ 11
End-of-month deposits (thousands)‡ $	5,509	+ 3	+ 3
Annual rate of deposit turnover	8.5	+ 1	+ 9

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
SAN ANGELO (pop. 62,359[r])			
Retail sales	+ 3†	+ 1	+ 15
Jewelry stores		+ 23	— 1
Postal receipts*	$ 64,276	+ 3	+ 1
Building permits, less federal contracts	$ 352,065	— 29	+ 37
Bank debits (thousands)	$ 56,753	— 2	— 1
End-of-month deposits (thousands)‡	$ 45,085	— 3	+ 5
Annual rate of deposit turnover	14.9	— 1	— 7
Employment (area)	23,150	**	+ 2
Manufacturing employment (area)	3,240	**	+ 8
Percent unemployed (area)	4.3	+ 16	— 36
SAN MARCOS (pop. 14,300[r])			
Postal receipts*	$ 10,042	+ 27	— 5
Building permits, less federal contracts	$ 11,655	— 40	— 98
Bank debits (thousands)	$ 7,881	+ 4	+ 10
End-of-month deposits (thousands)‡	$ 9,044	— 3	+ 7
Annual rate of deposit turnover	10.3	+ 4	+ 3
SAN ANTONIO (pop. 555,000[r])			
Retail sales	+ 3†	+ 5	+ 13
Apparel stores	+ 4†	+ 6	+ 11
Automotive stores	— 7†	+ 19	+ 42
Drug stores	+ 4†	+ 9	+ 1
Eating and drinking places	— 1†	+ 3	+ 3
Florists		+ 13	+ 9
Food stores	+ 4†	+ 7	+ 4
Furniture and household appliance stores	+ 8†	+ 15	— 8
Gasoline and service stations	+ 1†	— 20	— 5
General merchandise stores	+ 24†	+ 9	+ 9
Lumber, building material, and hardware stores	+ 7†	— 4	+ 31
Postal receipts*	$ 668,097	+ 15	+ 7
Building permits, less federal contracts	$ 3,415,698	— 49	— 24
Bank debits (thousands)	$ 606,715	+ 1	+ 8
End-of-month deposits (thousands)‡	$ 368,095	— 5	— 6
Annual rate of deposit turnover	19.2	+ 4	+ 12
Employment (area)	199,000	— 2	**
Manufacturing employment (area)	25,675	**	+ 6
Percent unemployed (area)	3.2	+ 3	— 6
SAN SABA (pop. 3,400)			
Bank debits (thousands)	$ 5,047	+ 23	— 2
End-of-month deposits (thousands)‡	$ 4,797	+ 2	+ 6
Annual rate of deposit turnover	12.8	+ 23	— 5
SEGUIN (pop. 14,000[r])			
Postal receipts*	$ 11,192	+ 3	+ 10
Building permits, less federal contracts	$ 72,925	+ 87	— 59
Bank debits (thousands)	$ 10,480	— 7	**
SHERMAN (pop. 31,269[r])			
Retail sales			
Apparel stores	+ 2†	+ 11	— 2
Furniture and household appliance stores	+ 5†	**	— 1
Postal receipts*	$ 28,936	+ 13	— 7
Building permits, less federal contracts	$ 222,349	— 14	— 5
Bank debits (thousands)	$ 26,152	+ 10	
End-of-month deposits (thousands)‡	$ 19,174	+ 1	
Annual rate of deposit turnover	16.4	+ 11	
SMITHVILLE (pop. 3,373[r])			
Postal receipts*	$ 1,978	+ 17	
Bank debits (thousands)	$ 1,338	+ 7	+ 34
End-of-month deposits (thousands)‡	$ 2,376	+ 1	**
Annual rate of deposit turnover	6.8	+ 8	+ 36
SLATON (pop. 6,351[r])			
Postal receipts*	$ 4,105	+ 23	— 13
Building permits, less federal contracts	$ 38,200	+282	— 53
Bank debits (thousands)	$ 3,964	+ 40	+ 3
End-of-month deposits (thousands)‡	$ 4,035	+ 15	— 5
Annual rate of deposit turnover	12.6	+ 34	+ 7
Employment (area)	53,300	+ 1	+ 9
Manufacturing employment (area)	5,560	+ 2	+ 12
Percent unemployed (area)	2.7	— 7	— 43
SNYDER (pop. 16,324[r])			
Postal receipts*	$ 13,973	+ 26	— 8
Building permits, less federal contracts	$ 130,800	— 58	— 89
Bank debits (thousands)	$ 14,927	+ 2	+ 2
End-of-month deposits (thousands)‡	$ 13,787	+ 3	— 27
Annual rate of deposit turnover	13.2	+ 1	+ 33
SULPHUR SPRINGS (pop. 9,890[r])			
Building permits, less federal contracts	$ 78,782	+ 66	
Bank debits (thousands)	$ 10,217	— 5	+ 4
End-of-month deposits (thousands)‡	$ 12,535	+ 1	+ 1
Annual rate of deposit turnover	9.8	— 8	+ 2
TAYLOR (pop. 9,071)			
Retail sales			
Automotive stores	+ 3†	+ 37	+ 36
Postal receipts*	$ 9,549	+ 33	+ 3
Building permits, less federal contracts	$ 59,687	+157	— 10
Bank debits (thousands)	$ 10,772	— 7	+ 20
End-of-month deposits (thousands)‡	$ 15,087	+ 4	+ 9
Annual rate of deposit turnover	8.7	— 12	+ 12
TEMPLE (pop. 33,912[r])			
Retail sales	+ 3†	+ 11	+ 7
Apparel stores	+ 2†	+ 17	+ 24
Drug stores	+ 1†	+ 10	+ 7
Furniture and household appliance stores	+ 5†	+ 19	+ 1
Lumber, building material, and hardware stores	+ 8†	+ 14	+ 8
Postal receipts*	$ 34,921	+ 6	— 8
Building permits, less federal contracts	$ 215,140	— 23	+ 8
TEXARKANA (pop. 50,784[r])			
Retail sales	+ 3†	+ 20	+ 23
Apparel stores	+ 2†	+ 11	+ 2
Furniture and household appliance stores	+ 5†	+ 53	+ 27
Postal receipts *§	$ 54,438	+ 21	— 9
Building permits, less federal contracts§	$ 471,746	+227	+182
Bank debits (thousands)	$ 52,537	+ 7	+ 13
End-of-month deposits (thousands)‡§	$ 15,797	+ 5	— 4
Annual rate of deposit turnover	18.1	+ 10	+ 20
Employment (area)	29,550	+ 2	+ 2
Manufacturing employment (area)	3,800	— 2	+ 3
Percent unemployed (area)	5.6	— 3	— 23
TEXAS CITY (pop. 30,000[r])			
Retail sales			
Lumber, building material, and hardware stores	+ 8†	+ 10	— 6
Postal receipts*	$ 21,326	+ 20	— 2
Building permits, less federal contracts	$ 333,090	— 47	**
Bank debits (thousands)	$ 19,731	— 6	— 3
End-of-month deposits (thousands)‡	$ 11,594	+ 3	+ 2
Annual rate of deposit turnover	20.7	— 2	+ 1
Employment (area)	48,800	**	+ 1
Manufacturing employment	9,800	— 1	— 11
Percent unemployed (area)	7.1	— 8	— 5

For explanation of symbols, see page 23.

LOCAL BUSINESS CONDITIONS

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
TYLER (pop. 49,443)			
Retail sales			
Automotive stores	+ 3†	+ 37	+ 45
Postal receipts	$ 77,940	+ 8	— 8
Building permits, less federal contracts	$ 485,201	— 24	— 56
Bank debits (thousands)	$ 80,094	— 10	— 7
End-of-month deposits (thousands)‡	$ 60,410	+ 2	— 1
Annual rate of deposit turnover	16.1	— 9	— 5
VERNON (pop. 12,684r)			
Postal receipts*	$ 12,875	+ 11	**
Building permits, less federal contracts	$ 115,400	— 39	— 34
Bank debits (thousands)	$ 14,665	+ 24	— 2
End-of-month deposits (thousands)‡	$ 19,251	+ 6	— 6
Annual rate of deposit turnover	9.4	+ 22	+ 6
VICTORIA (pop. 44,188r)			
Retail sales	+ 3†	+ 14	+ 14
Apparel stores	+ 2†	— 5	+ 12
Automotive stores	+ 3†	+ 45	+ 51
Food stores	**†	— 1	— 9
Furniture and household appliance stores	+ 5†	— 15	— 10
Gasoline and service stations	+ 3†	— 7	+ 9
Lumber, building material, and hardware stores	+ 8†	+ 3	+ 9
Postal receipts*	$ 31,334	+ 6	**

City and item	Oct 1959	Percent Change: Oct 1959 from Sept 1959	Percent Change: Oct 1959 from Oct 1958
WACO (pop. 101,824r)			
Retail sales	+ 3†	+ 21	+ 11
Apparel stores	+ 2†	+ 22	+ 6
Automotive stores	+ 3†	+ 25	+ 26
Florists	.....	+ 18	+ 11
Furniture and household appliance stores	+ 5†	+ 32	+ 29
General merchandise stores	+ 10†	+ 24	+ 8
Postal receipts*	$ 141,915	— 5	— 1
Building permits, less federal contracts	$ 3,113,436	+229	+325
Bank debits (thousands)	$ 125,632	+ 8	+ 21
End-of-month deposits (thousands)‡	$ 70,106	+ 4	+ 19
Annual rate of deposit turnover	22.0	+ 7	+ 20
Employment (area)	48,000	— 1	+ 3
Manufacturing employment (area)	10,220	— 1	+ 4
Percent unemployed (area)	3.3	**	— 25
WICHITA FALLS (pop. 103,152r)			
Retail sales			
Automotive stores	+ 3†	+ 18	+ 35
Postal receipts*	$ 115,893	+ 5	+ 20
Building permits, less federal contracts	$ 1,074,458	+ 34	+ 49
Bank debits (thousands)	$ 120,574	— 1	+ 2
End-of-month deposits (thousands)‡	$ 104,541	+ 1	— 3
Annual rate of deposit turnover	13.9	— 2	+ 6
Employment (area)	40,950	— 1	+ 4
Manufacturing employment (area)	3,760	— 1	+ 6
Percent unemployed (area)	3.5	+ 6	— 20

† Normal seasonal change from September to October.

* For the period September 19–October 16.

¶ Reported by the Bureau of Business and Econmic Research, University of Houston, for Harris County.

‡ Money on deposit at the end of the month, but excludes deposits to the credit of banks.

r Revised for use by the Texas Highway Department.

u 1950 Urbanized Census.

** Change is less than one-half of one percent.

§ Figures are for Texarkana, Texas (pop. 31, 051) only.

‖ Unusually high increase in building activity figures due to a permit for a structure valued at $219,900.

BAROMETERS OF TEXAS BUSINESS

	Oct 1959	Sept 1959	Oct 1958	Year-to-date average 1959	Year-to-date average 1958
GENERAL BUSINESS ACTIVITY					
†Texas business activity, index	217	225	204	217	196
Miscellaneous freight carloading in SW District, index	78	80	78	82	77
Ordinary life insurance sales, index	418	408	409	403	374
Wholesale prices in U.S., unadjusted index	119.2	119.6	119.0	119.5	119.2
Consumers' prices in U.S., unadjusted	125.5	125.2	123.7	124.4	123.4
Income payments to individuals in U.S. (billions, at seasonally adjusted annual rate)	$ 381.9*	$ 380.9r	$ 364.3r	$ 378.6*	$ 357.4r
Business failures (number)	38	39	46	35	36
Newspaper advertising linage, index	182.3	182.0	168.7	177.9	158.6
TRADE					
Total retail sales, index	229*	213r	210r	.....	.....
Durable-goods stores	188*	159r	147r	.....	.....
Nondurable-goods stores	250*	242r	243r	.....	.....
Ratio of credit sales to net sales in department and apparel stores	70.9*	72.8*	70.5r	68.9*	68.4r
Ratio of collections to outstandings in department and apparel stores	40.8*	35.7*	40.6r	37.1*	37.6r
PRODUCTION					
Total electric power consumption, index	403*	418*	345	380*	338
Industrial electric power consumption, index	376*	382*	334	371*	329
Crude oil production, index	106*	108r	115	116*	109
Crude oil runs to stills, index	138	137	146	143	134
Gasoline consumption, index	.....		188	.....	182
Natural gas production, index	.....		190	.....	184
Industrial production in U.S., index	148*	149r	138	149*	132
Cottonseed crushed, index	143	127	138	153	154
Construction authorized, index	284	223	258	250	233
Residential building	260	277	318	278	265
Nonresidential building	341	183	197	227	205
Cement production, index	194	200	213	205	184
Cement consumption, index	179	176	201	194	177
Cement shipments, index	182	196	212	203	183
AGRICULTURE					
Farm cash income, unadjusted index	.....	148	165	.....	106
Prices received by farmers, unadjusted index, 1909–14 = 100	266	274	285	281	278
Prices paid by farmers in U.S., unadjusted index, 1909–14 = 100	296	297	294	298	293
Ratio of Texas farm prices received to U.S. prices paid by farmers	90	92	97	94	95
FINANCE					
Bank debits, index	259	269	243	260	233
Bank debits, U.S., index	230	225	213	226	207
Reporting member banks, Dallas Reserve District:					
§Loans (millions)	$ 2,865	$ 2,893	$ 2,668	$ 2,821	$ 2,569
§Loans and investments (millions)	$ 4,529	$ 4,490	$ 4,436	$ 4,514	$ 4,229
Adjusted demand deposits (millions)	$ 2,748	$ 2,688	$ 2,715	$ 2,755	$ 2,657
Revenue receipts of the State Comptroller (thousands)	$ 97,771	$ 84,722	$ 83,780	$ 98,668	$ 85,052
Federal Internal Revenue collections (thousands)	$134,830	$208,954	$159,329	$240,468	$236,845
LABOR					
Total nonagricultural employment (thousands)¶	2,449.4*	2,450.6r	2,418.6	2,433.3*	2,392.9
Total manufacturing employment (thousands)¶	479.5	482.8r	474.0	482.2*	477.8
Durable-goods employment (thousands)¶	228.1*	231.1r	224.4	231.1*	227.4
Nondurable-goods employment (thousands)¶	251.4*	251.7r	249.6	251.1*	250.4
Total civilian labor force in 17 labor market areas (thousands)	2,143.6	2,139.1	.....	2,103.0	.....
Employment in 17 labor market areas (thousands)	1,976.7	1,975.4	1,818.4	1,937.3	1,794.8
Manufacturing employment in 17 labor market areas (thousands)	369.3	369.8	354.3	366.2	356.1
Total unemployment in 17 labor market areas (thousands)	81.7	84.1	102.8	97.8	118.2
Percent of labor force unemployed in 17 labor market areas	3.8	3.9	5.2	4.7	.....

All figures are for Texas unless otherwise indicated. All indexes are based on the average months for 1947–49, except where indicated; all are adjusted for seasonal variation, except annual indexes.

Employment estimates have been adjusted to first quarter 1958 benchmarks.

* Preliminary.

† Based on bank debits in 20 cities, adjusted for price level.

§ Exclusive of loans to banks after deduction of valuation reserves.

r Revised.

¶ Includes wage and salary workers only.